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# INTERNATIONAL UNION FOR THE PROTECTION OF NEW VARIETIES OF PLANTS

GENEVA

## ADMINISTRATIVE AND LEGAL COMMITTEE

Fifth Session

Geneva, April 17 and 18, 1980

COMPARATIVE STUDY OF CERTAIN ASPECTS OF THE  
LEGISLATIONS OF MEMBER STATES AND OF SPAIN WITH A VIEW TO THE  
EVALUATION OF THE POSSIBILITIES FOR HARMONIZATION OF THAT LEGISLATION

undertaken by the Office of the Union on the basis  
of the documents in its possession

## INTRODUCTION

### Background

1. At its third session, the Administrative and Legal Committee asked the Office of the Union to prepare a working paper containing a draft set of rules for a system of closer cooperation, incorporating a study on the harmonization of the legal provisions and procedural steps involved in plant variety protection (see paragraph 16 of document CAJ/III/9). The Office of the Union submitted document CAJ/IV/2 to the fourth session of the Administrative and Legal Committee, which contained, in the form of a draft multilateral treaty, a draft set of rules for a system of closer cooperation, mentioning in the document that the question of harmonization would be covered in a separate document. To that end, the office had prepared a draft document and distributed it to selected persons for verification of the accuracy of the information it contained.

2. This document is being brought to the attention of the Administrative and Legal Committee at the request of its Chairman. It is for the most part identical to the above draft. The main changes are the following:

(i) The document contains information on the legislation of Israel, as Israel has just acceded to the Convention, and on that of Spain, as Spain has filed a request for

accession to the Convention, and is interested in the possibility of harmonizing its legislation with that of the UPOV member States.

(ii) The document reflects additional information communicated by certain member States: South Africa, Federal Republic of Germany, Belgium, Netherlands, Switzerland).

(iii) The document also reflects changes that have occurred recently in certain national legislations, notably that of Italy following the promulgation of Decree No. 338 of the President of the Republic, dated June 22, 1979, the purpose of which is to adapt patent legislation to the treaties recently ratified by Italy (Patent Cooperation Treaty (PCT), Strasbourg Convention on the Unification of Certain Points of Substantive Law on Patents for Invention, Munich Convention on the European Patent and Luxembourg Convention on the European Patent for the Common Market).

### Purpose of this document

3. This document is intended as a basis for the study of the possibility of harmonizing national legislation on the protection of new plant varieties. It could also be used as a basis for the study of the rules underlying a system of closer cooperation and for the study of any problem that requires thorough knowledge of the various national legislations.

Structure of this document

4. The various aspects of national legislation have been set down in the order of the corresponding provisions of the revised text of the Convention. For the countries themselves, the order used is the alphabetical order of the French names. Quotations of legislative provisions have been simplified in order to make the text more manageable, except where such simplification would have been liable to mislead: the term "Law" or "Act" denotes the current plant variety protection law and other legislative texts (complementary law, implementing texts) are indicated by the word designating their nature followed by either their number or their date.

Chapter I

CONDITIONS GOVERNING THE AVAILABILITY OF  
PROTECTION TO FOREIGNERS

Convention references

5. Article 3(1) and (2) of the Convention contains provisions on "national treatment": each member State has to grant natural or legal persons resident or having their registered office in another member State and to the nationals of that other State resident or having their registered office in a third State the same treatment as that which it grants to its own nationals, subject to exceptions provided for in the

Convention. Those exceptions are three in number:

(i) a member State may impose obligations on the nationals of States of the Union neither resident nor having their registered office in one of those States for the purpose of enabling the new varieties which they have bred to be examined and the multiplication of such varieties to be checked (Article 3(2) of the Convention);

(ii) a member State may limit the benefit of more extensive protection than that provided for in Article 5(1) of the Convention to nationals of member States which grant an identical right and to natural and legal persons resident or having their registered office in any of those States (Article 5(4) of the Convention);

(iii) any member State is entitled to limit the benefit of protection in respect of each genus or species to the nationals of the member States that protect that genus or species and to persons resident or having their registered office in such a State (Article 3(3) of the Convention). It should be noted that Article 4(4) of the 1961 Convention restricts the above right to genera and species that do not appear on the list attached to that Convention.

6. It is customary to speak of "reciprocity" for the condition referred to in paragraph 3(iii) above and, somewhat improperly, of "national treatment" when that Condition is not provided for: a State applying the principle of reciprocity also grants national treatment when the reciprocity condition is met. It should be noted that for the moment, the member States applying the principle of reciprocity in dealings with other member States still apply it according to Article 4(4) of the 1961 Convention.

General conditions of availability of protection to foreigners

7. In South Africa, the benefit of protection is available to citizens of other member States and of States declared "agreement country with a view to the fulfilment of a bi-lateral agreement concerning plant breeders' rights between (South Africa) and such country," and to persons resident, or legal entities having a registered office, in one of those States (Section 6(3) of the Act).

8. In the Federal Republic of Germany, the benefit of protection is available to the nationals of other member States and persons having their domicile or registered offices in other member States, according to the principle of reciprocity, and to the nationals of any other State, and persons having their domicile or registered offices in that State, if, and in so far as, according to a notice published by the Federal Minister for Food, Agriculture and Forests in the

Bundesgesetzblatt, the State in question grants equivalent protection to German nationals or to persons having their domicile or registered offices within the territory in which the Law is in force (Article 23(1) of the Law).

9. In Belgium, the provisions applicable are the following (Section 9 of the Law):

"(1) If the variety has been bred outside Belgium, the new plant variety certificate shall be granted when Belgium is bound to do so under the Convention or any other international convention.

"(2) If the variety has been bred outside Belgium and paragraph (1) is not applicable, the new plant variety certificate shall be granted when the State in which it was bred grants equivalent protection to similar new varieties bred in Belgium.

"(3) If the variety has been bred outside Belgium without there being the obligation referred to in paragraph (1) or the reciprocity referred to in paragraph (2), the Minister may, on the advice of the Service, and after the Council has been heard, specify the conditions for the grant of a new plant variety certificate in respect of a variety bred outside Belgium which he considers to be beneficial to Belgian agriculture, horticulture or forestry. The Minister may impose limitations that are not provided for in the Convention."

10. In Denmark, the Law empowers the Minister of Agriculture to adjust the benefit of protection in Denmark of varieties created in another State according to the principle of reciprocity (Section 3(1)), and also to grant protection as an exceptional measure in so far as it is in the interest of the agricultural and horticultural economy (Section 3(2)). The decrees enacted under that Section specify the States, and where appropriate the species, in respect of which the principle of reciprocity is applied.

11. In Spain, the foreign breeder has the same rights as the national breeder, provided that the legislation of the country of origin applies the principle of reciprocity or that international agreements to which Spain is party establish such reciprocity (Section 10 (1) of the Law). Provisions establishing reciprocity are enacted by the competent Ministry or Ministries on a proposal by the Protected Plant Variety Commission, through the Central Board of the National Institute of Seeds and Nursery Plants, after examination of the legislation on the protection of each species and country concerned (Section 10(1) of Decree No. 1674/1977 of June 10, 1977).

12. In France, any person possessing the nationality of one of the member States or domiciled or established in one of those States is eligible for protection in respect of the genera and species mentioned in the list annexed to the 1961 Convention or in a supplementary list drawn up under the provisions of the Convention. In addition to this case, any foreigner may

enjoy protection if the condition of reciprocity is met by the State of which he is a national or in which he is domiciled or established (Section 10 of the Law).

13. In Israel, protection is granted:

(i) to the breeder of a variety bred in Israel (Section 3(a) of the Law);

(ii) to the Israeli national or resident for a variety bred abroad (Section 3(b) of the Law);

(iii) to any other person for a variety bred outside Israel if it is necessary to do so in order to fulfil obligations relating to international agreements between Israel and another State and if it appears to the Minister that such State accords reciprocity to Israel in that matter, or if the Minister considers that it is in the public interest to do so (Section 71 of the Law).

According to Section 1 of the Law, "breeder" means also the breeder's successor in title.

14. Italy stated on its signature of the 1961 Convention, and on the deposit of its instrument of ratification, that it would apply Articles 2 and 3 of the Paris Convention for the Protection of Industrial Property. The Patent Law (Royal Decree No. 1127 of June 29, 1939, as most recently amended by Presidential Decree No. 338 of June 22, 1979) provides in its Section 21

that "foreigners may obtain patent rights in an industrial invention"--and according to Section 2 of Decree No. 974 of August 12, 1975, in a new plant variety--"on the same terms as those fixed for Italian citizens."

15. In the Netherlands, varieties produced abroad may only be protected if the Netherlands is obliged to grant protection under international agreement [internationale overeenkomst]--therefore according to the principle of reciprocity--and, failing that, if the Minister of Agriculture and Fisheries is of the opinion that granting that right will benefit agriculture of horticulture in the Netherlands. In the latter case, the grant of the right may be made subject to certain conditions and the scope of the rights granted may be limited (Section 30 of the Act).

16. In the United Kingdom, the legislative texts do not contain any provisions limiting the availability of protection to foreigners.

17. In Sweden, the benefit of protection is available:

(i) to the breeder who has bred a plant variety in Sweden and to his successor in title;

(ii) to a breeder who is a national of Sweden or domiciled therein who has produced a variety abroad, and to his successor in title;

(iii) to a person who is not a Swedish national or domiciled in Sweden for a variety that has been bred abroad, to the extent deemed to be necessary for the fulfillment of the obligations of Sweden arising from international agreements with other countries and provided that reciprocity exists, or if the matter is of substantial public interest, by decree of the King in Council (Section 2 of the Act).

Under Section 2 of Ordinance No. 393 of May 27, 1971, the following persons are eligible for protection in addition to those mentioned under (i) and (ii) above:

(i) a breeder who has bred a plant variety in a member State, and his successor in title;

(ii) a breeder who is a national of a member State or domiciled therein and who has bred a plant variety in a non-member State, and his successor in title.

Swedish legislation contains one striking feature: its reciprocity rule is based both on the nationality, domicile and registered office of the breeder or his successor in title and on the place in which the variety was bred, whereas other States that provide for it base it on one or the other of those criteria only. Moreover, the emphasis is placed on the nationality, domicile and registered office of the breeder, rather than those of the applicant as in other member States. The effect of this is that, if the breeder is entitled to

protection under these rules, his successor in title is entitled to them also, regardless of his nationality, domicile and registered office, which is not true of the other member States that apply the reciprocity principle.

18. In Switzerland, eligibility for protection is governed by the reciprocity principle, non-member States being treated as member States if they grant reciprocity to Switzerland (Article 2 of the Law). It should be mentioned that applicants for a breeder's right and holders of such a right may invoke the provisions of the most recent text ratified by Switzerland of multilateral conventions when these are more favorable than the provisions of the Law (Article 4 of the Law).

Secondary conditions of availability of protection to foreigners

19. No State has special provisions under Article 3(2) of the Convention, referred to in paragraph 13(i) above.

20. Representative. Without making any direct reference the Convention allows any member State to place an applicant neither resident nor having his registered office in that State under the obligation to appoint a representative who is resident or does have his registered office in that State. All States except Italy and the United Kingdom<sup>1</sup> require the appoint-

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<sup>1</sup> The first paragraph of Section 93 of the Patent Law of Italy provides however that the applicant, or the representative if any, must in each application indicate or

ment of a representative in the above case, although Sweden can waive the requirement for a person domiciled in another State or having a representative in that State, subject to reciprocity (Section 47 of the Act). It should be mentioned in this connection that the Federal Republic of Germany requires the representative to be a national person (see the form for application for protection and the corresponding UPOV model form).

21. Powers of the representative. Six States have included provisions in their legislation on the extent of the powers of the representative, namely: Federal Republic of Germany (Article 23 (2) of the Law); Denmark (Section 6(1) of the Law); Spain (Section 10(2) of the Law); France (Section 3(2) of Decree No. 71-764 of September 9, 1971); Israel (Section 20(b) (2) of the Law); and Switzerland (Article 3 of the Law). In the Federal Republic of Germany and Switzerland the representative has the power of representation before the plant variety protection service and in disputes concerning protection. Whereas in the former country he may institute criminal actions [Strafanträge], the latter makes such action contingent on the provision governing the exercise of the profession of attorney. In Denmark, the representative has to be given power of attorney authorizing him to represent the breeder in dealings with

elect his Italian domicile for all communications or notifications which might be sent to him. In the United Kingdom, Section 22(1) of the Regulations of 1978 on the Protection of New Plant Varieties requires the provision of an address within the United Kingdom to which all correspondence will be sent.



the Plant Variety Board. He may be summoned before the courts in relation to any matter concerning the entry in the plant variety register in the name of the person named in the application. In Spain, relations between breeders and the administration and private producers or growers of propagating material require the intervention of representatives with sufficient authority to guarantee such commitments as the breeder or his successor in title may contract. The grant and the right derived from it remains subject, in all cases, to the performance of the obligations of the title holder (Section 10(2) of the Law). In France the representative's power extends, except where otherwise provided, to all acts and to the receipt of all notifications provided for in the Decree referred to earlier, with the exception of withdrawal of the application or renunciation of the title of protection. In the case of renunciation of the title of protection, the representative has to be provided with a special power of attorney, pursuant to Section 36(1) of the Decree. Finally, in Israel, the representative has to be authorized to represent the applicant in any matter relating to the application (Section 20(a)(2) of the Law).

Possibilities for harmonization of national legislations

22. Table 1 on page 18 summarizes the characteristics of the legislations of States on the availability of protection to foreigners, showing the main differences which should perhaps be removed, or at least reduced. The main points to be considered are the following:

(i) In view of the fact that it is out of the question for States that have taken a very liberal attitude to adopt a more restrictive system than their present one, should the removal of the reciprocity requirement between member States be recommended?

(ii) What system should be recommended for dealings with non-member States?

(iii) What should be recommended, in the light of the replies that will be given to the first two questions, with regard to the possibility of affording exceptional protection to varieties that are useful to the national economy (removal or retention of the possibility by States currently providing for it, or its introduction by all States)?

(iv) In the light of the replies that will be given to the first three questions, should the rules on eligibility for protection be based on the nationality and domicile or registered office of the breeder or his successor in title, or on the State in which the variety was produced, or even on both?

(v) Would it be possible by reference to comparable legislation (patent laws for instance) and codes of administrative procedure, to harmonize the provisions on the appointment of a representative (type of person who may be appointed as representative, powers of the representative)?

(vi) What should be written into a possible special

agreement on cooperation in plant variety protection?

23. The replies to the above questions should make allowance both for treaties concluded by certain States in other areas and for customs that have become established in plant variety protection, and also for the experience acquired by States.

24. As far as the established customs are concerned, it is common for a breeder to transfer his rights in the variety with respect to the territory of a State other than that in which he has his domicile or registered office to a person who does have his domicile or registered office in that other State, partly on account of the provisions of the legislation on the production and marketing of seed and seedlings. The effect of this is that applications for protection are frequently filed in each member State by persons who have their domicile or registered office there. The effect of this is that the reciprocity condition often becomes inoperative because the breeder not eligible for protection has only to find a "stooge."

25. A breeder not having access to protection on the basis of his nationality, residence or seat can also elect domicile in a member State or set up a firm with its registered office in a member State.

26. Finally, the experience gained by the United Kingdom, which does not limit eligibility for protection, reveals that in fact only a small minority of applications for protection and of titles of protection granted relate to persons who would not be entitled to protection under the reciprocity system (Table 2).

Assignment of the title of protection

27. This question has a bearing on the question of the availability of protection to foreigners: it has been observed that the majority of States that impose restrictions on the availability of protection to foreigners do not impose comparable restrictions, or at least not in their legislation on plant variety protection, on the assignment of the title of protection.

Table 1

Main Characteristics of the Legislation of States on the  
Availability of Protection to Foreigners

	ZA	D	B	DK	E	F	IL	I	NL	UK	S	CH
<u>Conditions of eligibility for protection</u>												
- vis-à-vis member States												
+ no limitation ("national treatment")	X							X		X		
+ reciprocity*		X	X	X	X	X	X		X		X	X
- vis-à-vis non-member States												
+ no limitation								X		X		
+ assimilation of certain non-member States to member States	X											
+ reciprocity												
o automatic			X			X						X
o not automatic (declared at ministerial level)		X		X	X							
o not automatic, subject to international agreement							X					
+ protection available in exceptional cases (usefulness to the national economy)			X	X			X		X		X	
<u>Basis of the rules on eligibility for protection</u>												
- nationality or domicile or registered office	X	X			X	X	X				X	X
- State in which the variety was produced			X	X			X		X		X	
<u>Representative</u>												
- compulsory appointment for non-residents	X	X	X	X	X	X	X		X		X	X

\* More specifically, no limitation in the case of species appearing in the Annex to the 1961 Convention and reciprocity in the case of all other species (see Article 4(4) of the 1961 Convention).

Table 2

## Statistics on Plant Variety Protection in the United Kingdom\*

Year \ Country of origin																	Percentage share				
	Fed. Rep. of Germany	Australia	Austria	Belgium	Denmark	United States of America	France	Ireland	Italy	Netherlands	New Zealand	German Democratic Republic	United Kingdom	Sweden	Switzerland	Other countries	TOTAL	United Kingdom	Other present member States	Non-member States	States without protection
1. Applications for protection																					
1972	13			2	6	4	26			29	10	2	110	7	11		220	50	43	7	0
1973	9			5	9	18	27			26	3	3	106	4	20	4	234	45	43	12	[1]
1974	8	2		4	2	6	31	3		42	4		102	6	9		219	46.5	46.5	7	2
1975	19			1	22	8	32		1	60	3		81	6	11		244	33	62	5	0
1976																					
1977	12	2		1	18	4	17	2		70	6		156	4			292	53	42	5	1
1978	39	1	1	2	4	7	33		1	95	8	1	115	8			315	36.5	58	5.5	0.5
2. Titles of protection granted																					
1972	6			3		5	9			9	1		62	3			98	63	31	6	0
1973	2				4	7	7			27	4		58	1	14		124	47	44	9	0
1974	10	2		1	3	9	14	1		26	1		71	3	19		160	44.5	47.5	8	2
1975	5			1	2	11	11			27	7		73		1	1	139	52.5	34	13.5	[1]
1976																					
1977	15			1	5	3	9	3		26	1		99	6			168	59	37	4	2
1978	14			2	3	9	9		1	46	7	1	64	4			160	40	49	11	0

[Source: statistics supplied to WIPO by the United Kingdom]

\* The 1976 statistics are not available.

Chapter II

SPECIES TO WHICH THE CONVENTION IS APPLIED

Application of the Convention to the same species in all  
Member States

28. UPOV has already been working for a long time on the harmonization of the lists of species to which the Convention is applied by each member State. There are two questions that deserve consideration in the context of this study:

(i) Designation of species to which the Convention is applied;

(ii) Application of Article 2(2) of the 1978 Convention.

Designation of protected species

29. Three factors dictate the need for a precise definition of protected species, and one that is uniform within UPOV:

(i) the progress of plant breeding technology, and especially the intensive use of interspecific hybridization; (ii) the internationalization of the seed and seedling trade and the consequent need to protect a variety in more than one State (in this connection it should be borne in mind that certain States have to specify in what cases reciprocity applies); (iii) increased cooperation between member States, and especially the study of a system of more extensive cooperation

in plant variety protection. Difficulties might arise in the future if the present systems for the designation of species were retained.

30. The first difference has to do with the fundamental principle for the designation of species: France, Spain and Italy indicate only the common names of the protected groups (genera, species, etc.), whereas the other member States indicate both the common names and the Latin names. There are still considerable differences between the systems used by the latter. While they generally take care to make the Latin name and the common name of the protected entity correspond as closely as possible, it does happen that the Latin name has a more extensive scope than the common name or names (for instance, Chrysanthemum -- Chrysanthemum) or vice versa (for instance : Chrysanthemum morifolium aramat -- Chrysanthemum). Moreover, the United Kingdom uses the following formulation : "All varieties of [a common name such as "wheat" follows] which conform with the characteristics of cultivated plant varieties of [the designation and the Latin name of the taxonomic group follow, in our example "the genus Triticum"] ."

31. Member States sometimes even use different Latin names, the difference being in the name itself, whereas the scope is essentially the same (for instance Begonia Elatior-Hybrids and Begonia X hiemalis), or in the name of the author (for instance Vicia faba L. var. minor Harz and Vicia faba L.

var. minor (Perterm.)). It also happens that one and the same Latin name is used, perhaps also with essentially equivalent common names, to designate sets of plants that are not identical, as a result of disputed botanical classification. The most obvious case is that of Prunus domestica. At present it is widely accepted that trees producing plums as such or special plums such as mirabelles, greengages and switchen, and also damsons, belong to the species P. domestica. Certain States that accept the existence of a species P. insititia find themselves protecting only some of the above types of trees under the name P. domestica. Finally, the designation of different taxonomic groups may be related to the preceding case. In the case of the cherry, States that have chosen Prunus L. (the name of the genus) are in a position, if not obliged, to protect all cherry varieties, including varieties of non-autochthonous species such as P. fruticosa Pall. (dwarf Russian cherry) and interspecific hybrids, unlike those that have chosen the names of the most commonly cultivated species, namely P. avium and P. cerasus.

32. Added to the problem described above there is that of finding equivalents of a common name in other languages. In the case of the genus Phleum, for instance, French and German allow a distinction between the species P. bertolonii DC. (fléole diploïde, petite fléole--Zwiebellieschgras) and P. pratense (fléole des prés--Wiesenlieschgras), as opposed to English which has only the one term "timothy."

#### Application of Article 2(2) of the 1978 Revised Text of the Convention

33. Article 2(2) of the 1978 Convention specifies that each member State may limit protection within a genus or species to varieties with a particular manner of reproduction or multiplication, or a certain end-use. This possibility, which was not precluded by the 1961 Convention, is already being used by the present member States: many fruit species are protected with the exception of their ornamental varieties. For instance, the United Kingdom protects irises with the exception of bulb varieties, and many ornamental plants, for instance those of the genus Euphorbia, on condition that the plants are hardy in the climate of that country, which in our example excludes poinsettia and Euphorbia fulgens. In Sweden, the runner bean is protected as an ornamental plant, apparently for reasons of an ecological nature, as the pods of this plant do not ripen in northern latitudes.

#### Interpretation of National Legislation

34. One example will illustrate the difficulties that may arise from the interpretation given or liable to be given to national legislation. French Decree No. 71-765 of September 9, 1971, as most recently amended by Decree No. 78-245 of February 23, 1978, specifies that for the species apricot, almond, cherry, peach and plum, among others, either the fruit-bearing varieties or the rootstocks may be protected. By virtue of this provision, almond-peach trees

used as rootstocks have been protected.

#### Harmonization of Lists of Protected Species

35. It is evident that, in addition to that already in progress, there should be concerted action within UPOV in dealing with the following matters:

(i) establishment of principles for the nomenclature of protected species, applicable by all States: in view of the difficulties raised by common names, the only system that could ever be universally adopted is one based on the Latin names, with the common names being perhaps added for the purposes of information;

(ii) definition, for each type of plant to be protected, of the protected taxonomic groups (for instance, in the case of wheat, the mention of the genus Triticum or species such as T. aestivum, T. durum and T. spelta).

(iii) definition, for each taxonomic group, of the Latin name (due account being taken of comparable legislation and the work of ISTA);

(iv) definition where appropriate of the limits within which protection is granted, notably on the basis of Article 2(2) of the Convention.

### CHAPTER III

#### SCOPE OF PROTECTION

##### General Remarks

36. "Scope of protection" should be taken to mean all the rules laid down by the law and established by the courts on the material applicability of a right or, in other words, on the effect of the claim of exclusivity made by the owner, which constitutes the very essence of the right, and on the possibility of asserting it in dealings with third parties. The definition of the scope of protection is ultimately intended to draw a line between the interests of the owner of the protection and the interests of society, and the drawing of this line is one of the most difficult questions in intellectual property law. Moreover, owing to the complexity of the scope of protection concept, it is difficult to lay down principles of general application and classification methods by which every special case in an area of plant variety protection exposed to developments that are often unexpected will be taken into account. An additional difficulty stems from the fact that the scope of protection can only be demonstrated approximately in international conventions and national laws, and that consequently it is up to the competent bodies--which in most States means the courts--to set limits case by case. In the relatively new field of plant variety protection, any description of the scope of protection is made still more difficult by the scarcity of

published and therefore accessible court decisions. This study must therefore concentrate almost exclusively on the rules laid down by the Convention and national legislation. Owing to the latitude allowed by Article 5 of the Convention, the national rules of member States are divergent enough to warrant a study on their harmonization.

37. In each State, the scope of protection is defined at the outset by national legislation, based on Article 5 of the Convention. The Convention provides for a fundamental right and two secondary rights, and allows each State to provide for additional rights, with one reservation, namely that the use of a protected variety as an initial source of variation for the purpose of creating other varieties may not be an exclusive right in favor of the breeder.

38. The fundamental right granted to the breeder and defined in the first sentence of Article 5(1) is that three acts performed on reproductive or vegetative propagating material as such of the protected variety may not be performed without the authorization of the breeder, namely production for purposes of commercial marketing, offering for sale and marketing. The Convention does not define the terms it uses, merely specifying that vegetative propagating material includes whole plants. We shall see below how these terms have been translated, and in certain cases defined, in national legislations, and then what the rights granted by those legislations are.

39. All the States have included two secondary rights in their legislation, one of which is specified in the third sentence of Article 5(1) (extension of the right to ornamental plants or parts thereof normally marketed for purposes other than propagation when they are used commercially as propagating material in the production of ornamental plants or cut flowers) and the other in the second sentence of Article 5(3) (extension of the right to use of the protected variety when repeated use is necessary for the commercial production of another variety). Israel has not written the first of the rights into its legislation, but it nevertheless accrues to the breeder by virtue of the very extensive right accorded to him. Other secondary rights are expressly granted by States under their national legislation.

40. Provisions have been enacted in certain States with a view to limiting the prerogatives of the breeder to what is necessary for him to secure fair remuneration for his work. These provisions are dealt with in a part entitled "exhaustion of the rights of the breeder."

41. The last part but one of this Chapter will be devoted to the definition of infringement and the sanctions for it, which are another essential aspect of the scope of protection. The last part will set forth principles according to which the possibilities for the harmonization of national legislations could be studied.



Definition of propagating material in national legislation

42. Four cases may be distinguished:

(i) Plant variety protection legislation contains no definition of propagating material. This is a true of Israel, Italy, Spain and Sweden. The absence of any definition may be due to the fact that a definition applicable to the protection of plant varieties is to be found in another area of law, or to the fact that the legislator did not consider it necessary or desirable to provide a definition. In Israel, the definition of the scope of production makes no reference to propagating material.

(ii) The legislation contains a general definition of propagating material, which is as follows:

(a) Federal Republic of Germany: seeds and, in the case of species which are normally vegetatively propagated, plants and parts of plants when intended for plant production (Article 3 of the Law);

(b) Belgium<sup>2</sup>: seeds, seedlings, plants or parts of plants that are intended for the reproduction of plants (Section 2 of the Law);

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2 See item (iii) of this paragraph, however.

(c) Netherlands: plants or parts thereof intended for cultivation by planting or sowing or by any other means ("teeltmaterial"--Section 2 of the Act).

(iii) The legislation defines the elements of the plant to which the breeder's right relates for each category of species. This is true of Belgium and France (see Table 3).

(iv) The legislation refers to examples:

(a) South Africa: any plant or any bulb, tuber, rhizome, shoot, bud or other vegetative part of a plant which reproduces asexually, and includes the seed of a plant (Section 1 of the Act);

(b) Denmark: basic seed of seed producing plants and cereals, seed potatoes, cuttings, etc. (Section 14 of the Law);

(c) United Kingdom: references to reproductive material are references: to seeds for sowing; to seed potatoes and other vegetative propagating material; to whole plants, as well as parts of plants, where whole plants may be used as reproductive material; to ornamental plants and parts of ornamental plants when used commercially as propagating material in the production of ornamental plants and cut flowers. This list, which seems exhaustive, gives rise to the following comment: the last case applies to ornamental plants and refers to the actual use of material, whereas

the last but one refers to the potential use of the material.  
It remains to be seen whether the last case merely provides additional information or whether, by virtue of the principle according to which lex specialis derogat lege generali, the last case but one is confined to non-ornamental plants (Section 15(1) of the Act);

(d) Switzerland : seeds, fruits, etc. (for reproductive propagating material) and plants or parts of plants such as cuttings, tubers, bulbs, etc. (for vegetative propagating material) (Article 12(2) of the Law).

Table 3

Elements of the Plant to Which the Breeder's Right  
Relates in France

Species	Elements of plant to which the breeder's right relates
Sexually reproduced agricultural and vegetable species	Seeds, as defined under Section 1 of Decree No. 68-955 of October 29, 1968*, as well as plants or parts of plants marketed with a view to plantation.
Potatoes	Seed potatoes intended for propagation of species as defined under Section 1 of the above Decree*.
Fruit species with the exception of strawberries (fruit-bearing varieties and rootstocks)	Any part of plant intended for use as vegetative propagating material, such as plants, grafts, cuttings, layers; Seeds, as defined under Section 1 of the above Decree*, or pips and kernels of these species where they are usable as seeds for the sexual reproduction of varieties.
Strawberries	All or part of the plant intended for use as vegetative propagating material of the variety.
Ornamental species	All or part of the plant and any propagating element.
Poplar	Cuttings and, in general, any part of the plant intended for use as vegetative propagating material.

\* "The denomination Seeds or Planting Material, whether or not followed by an epithet specified by order of the Minister of Agriculture, is reserved for the application of Section 11 of the above Law of August 1, 1905, to plants or parts of plants of any kind intended for production or multiplication and having the genetic, physiological, technological and sanitary characteristics specified by order of the same Minister.

"The denomination Certified Seed or Certified Planting Material is reserved for seed and planting material fulfilling the conditions set forth in Section 2.

"The denomination Basic Seed or Basic Planting Material is reserved for seed and planting material fulfilling the conditions set forth in Section 2 and suitable for the production of seed and planting material."

Definition of offering for sale and marketing in national legislations

43. The terms in the Convention have been transposed differently by member States. The key terms used are the following, reference being made where appropriate to the English translation of the texts of the laws:

- (i) Commercialization (Federal Republic of Germany, Belgium, Sweden);
- (ii) Sale (South Africa, United Kingdom);
- (iii) Offering for sale and commercialization (Denmark, Netherlands);
- (iv) Selling or offering for sale, or use by any means permissible by law (Spain);
- (v) Offering for sale and sale (France);
- (vi) Use (Israel);
- (vii) Putting on the market (Italy);
- (viii) Offering for sale and selling in the course of business (Switzerland).

44. These key terms are already instructive in themselves, but due account should be taken of the definitions and detailed specifications provided in certain States, namely South Africa, the Federal Republic of Germany, Belgium, Israel, the Netherlands, the United Kingdom and Sweden.

(i) In South Africa, "sell" includes agreeing to sell, or to offer, advertise, keep, expose, transmit, send, convey or deliver for sale, or to exchange or to dispose of to any person in any manner for a consideration (Section 1 of the Act).

(ii) In the Federal Republic of Germany, commercialization should be understood to be the offering for sale, placing on sale, sale and any other form of distribution (Article 4 of the Law). For the definition of the scope of protection, however, the word commercialization ("vertreiben") has been qualified by the adverb "gewerbsmässig." The resulting expression is also used in the Swiss law, and has been translated into English as "selling in the course of business."

(iii) In Belgium, "commercialize" means to offer for sale, place on sale, stock for sale or delivery, exchange, sell, supply gratuitously or for a consideration, import or export (Section 2 of the Law).

(iv) In Israel, "use of a variety" means the growing, multiplication and marketing of the variety and, if so pro-

vided by Ministerial Regulation, the fact of deriving profit therefrom in any other way (Section 1 of the Law).

(v) In the Netherlands, "commercialization" means offering for sale, selling and supplying (Section 2 of the Law).

(vi) In the United Kingdom, selling reproductive material includes any transaction effected in the course of business under which the property in the reproductive material passes from one person to another, or under which the reproductive material is made over by one person to another in pursuance of a contract under which he will use the reproductive material for growing further reproductive material or other crops. In the latter case, the clause in the contract concerning the ownership of the crop, whether accruing to the "seller," to the "purchaser" of the propagating material or to a third party, is of no significance (Section 4(6) of the Act). In other words, the legislator has translated in the Law the intention of the Committee of Experts that met in Munich from June 30 to July 3, 1959, when it adopted the expression "for purposes of commercial marketing" for Article 5(1) of the Convention, and also the meaning given to the expression "offering for sale" (see Actes des Conférences internationales pour la protection des obtentions végétales, 1957-1961, page 44).<sup>3</sup>

3 "The expression "for commercial purposes" did not seem sufficiently explicit to certain experts: the manufacturer of tinned peas, who had bought seed and multiplied

(vii) In Sweden, commercialization includes offering for sale or otherwise supplying (see Section 4 of the Act).

Definition of the fundamental right of the breeder in national legislations

45. Subject to the definitions described above, the fundamental right conferred on the breeder is defined as in the Convention in the legislations of the following States: Federal Republic of Germany (Section 15(1) of the Law); Belgium (Section 21 of the Law); Denmark (Section 14 of the Law); Italy (Section 4 of Decree No. 974 of August 12, 1975); United Kingdom (Section 4(1) of the Act); Switzerland (Article 12 of the Law).

46. In South Africa (Section 23 of the Act) and in France (Section 3 of the Law), the right conferred on the breeder relates to the production of propagating material without specifying the purpose of that production. If the provisions of these laws were interpreted literally, they would allow

it with a view to selling the seed produced to farmers whose crops he then bought, should pay a fee. In order to cover that particular case and other similar ones, they preferred to say "for the purposes of commercial marketing."

"The word "offering for sale" also gave rise to discussion. Interpreted literally, it would mean that the farmer who sold a few seeds of his crop to his neighbor would be compelled to pay a fee. In fact the problem would not arise at the practical level. What the experts wanted to cover was the operations involving sale for a consideration (or by exchange) in all cases where it was not an exceptional service, and irrespective of the legal status of the natural person or legal entity making such operations.

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the breeder to prohibit any production of seeds by a farmer with a view to their use for the next crop. As far as South Africa is concerned, this possibility is borne out by the provisions on the exhaustion of rights (which exclude from protection the fact of a person who has legally obtained reproductive or vegetative propagating material selling it, selling any plant, propagating material or any derived product for purposes other than reproduction or propagation).

47. In Spain, the "Plant Variety Title" gives the exclusive right to produce for commercial purposes, introduce in the territorial area to which the Law applies, sell or offer for sale, or use by any means **permissible** by law, material for sexual reproduction or vegetative propagation, but the breeder's right is not infringed by the use made by the farmer, in his own farm, of seeds or any other vegetative material produced by him (Section 5(1) of the Law).

48. In Israel, the breeder is granted the right to prohibit third parties from using his variety, that is, growing it, multiplying it or marketing it, without his consent or illegally (Section 36(a) of the Law).

49. In the Netherlands, the holder of a plant breeder's right has the sole right to produce propagating material of the variety for commercial purposes, to commercialize it, to offer it for sale, to export it, to stock it for any of **those** purposes and to have any or all of **those** activities performed

(Section 40 of the Law).

50. In Sweden, the owner of the plant breeder's right is the only person entitled to commercialize the plant variety by: producing or importing into Sweden plant material with the aim of offering the material for sale for purposes of propagation or of otherwise supplying it for such purposes; offering such material for sale or otherwise supplying it for purposes of propagation (Section 4 of the Act).

#### Secondary rights

51. Import. With regard to import, a distinction may be made between three cases, determined by the purpose of the material. In the case of propagating material, it may be (i) used directly as such by the importer, (ii) marketed or (iii) re-exported. In the second case, which is the most important in economic terms, the breeder may assert his rights at least at the level of commercialization.

52. The right to import propagating material, or the end product where protection extends that far, is expressly reserved to the breeder in the following States: South Africa, Belgium, Spain, France, Italy, United Kingdom. With regard to the United Kingdom, Section 4(2) of the Act provides that, if any person purchases the reproductive material of the plant variety which is not in Great Britain when it is sold and uses it in Great Britain as reproductive material, the purchase and

subsequent use together constitute an infringement of the plant breeder's right, references to use being construed as including the references to so disposing of that material (otherwise than by way of sale--which would be covered by the fundamental right) while it is in Great Britain as to make it available for its use in Great Britain as reproductive material. In simple terms, the import of seeds or seedlings for use as such is subject to the authorization of the breeder. In Israel, import is reserved to the breeder by the fact that his right covers the growing and commercialization of the variety. As far as Sweden is concerned, it has already been mentioned that the import of plant material with a view to its sale for the purposes of propagation is reserved to the breeder. This provision has not broadened the rights of the breeder, however, as offering for sale is included among his fundamental rights.

53. In the Federal Republic of Germany, import as a stage prior to sale constitutes, according to case law, a form of distribution, even if the imported merchandise is re-exported without there having been any sale in the country.

54. Export. With regard to export, the two most important cases are that in which the exported material has been produced in the exporting country and that in which the material has been imported. In the first case, the breeder will already have been able to assert his rights, in all States, at the level of production for commercial purposes. In many States export is also regarded as an act of commercialization and is

therefore subject to the right of the breeder.

55. The right to export propagating material is expressly reserved to the breeder in the following States: South Africa, Belgium, Netherlands. In the Federal Republic of Germany, export is regarded by case law as being a form of distribution. However, special authorization from the owner of the protection is required for the transport of the propagating material outside the territory in which the Law is in force, in a territory in which corresponding protection is not guaranteed for varieties of the same species (Section 15(4) of the Law). The above provisions have nevertheless to be considered in the light of the principles governing the exhaustion of rights (see paragraphs 79-84 below). In Spain, the right to export propagating material is reserved to the breeder, as is shown by Section 18(1)(d) of the Law, which makes export without the consent of the breeder a violation of the latter's rights.

56. Protection of the end product. The possibility of protecting the end product in all cases is written into French legislation, as Section 3 of the Law confers on the owner of the protection the exclusive right to produce, import into the territory to which the Law applies, sell or offer for sale "all or part of the plant or any element for reproduction or vegetative propagation of the variety," the elements of the plant to which the breeder's right relates being defined by decree (see Decree No. 71-765 of September 9, 1971, as most recently amended by Decree No. 78-245 of

February 23, 1978, and Table 3). This possibility exists also in Israel, where the breeder's right may be extended, by the Ministry of Agriculture, with the approval of the Economic Committee of the Knesset, to the securing of a profit other than by growing, multiplication or marketing of the variety (Section 1 of the Law).

57. The possibility of protecting the end product in the case of ornamental plants is provided for in Swiss law the decision being within the jurisdiction of the Federal Council (Article 13 of the Law). This protection of the end product will be confined to Swiss nationals and to the nationals of States that grant reciprocity (Article 13(2) of the Law). At present Switzerland is the only State that has availed itself of the possibility provided for in the second sentence of Article 5(4) of the Convention.

58. At present, the end product is only protected in the case of ornamental plants, namely in the following States: France (Decree No. 71-765 of September 9, 1971, as most recently amended by Decree No. 78-245 of February 23, 1978--see Table 3), Italy (Section 4 of Decree No. 974 of August 12, 1975), Switzerland. With regard to Italy, it should be noted that the definition of the acts concerned by the protection is different from that used for the fundamental right: the right extends to the production (and no longer production for sale), marketing and introduction on Italian territory of the products of the variety, in cases where such a variety is predominantly used for the sale, for ornamental purposes,

of plants, of parts thereof and of flowers.

59. In the United Kingdom, under Section 1 of Schedule 3 of the Act, Agriculture Ministers may provide that, with respect to certain species, plant breeders' rights include the production or propagation of the variety for the purpose of selling such parts or products of the variety as may be prescribed when it appears to them, on the one hand, that breeders will not receive adequate remuneration unless they have control over the production or propagation of the plant variety in Great Britain for the purpose of selling cut blooms, fruit or some other part or product of plants of the variety, and that on the other hand the control will be of substantial benefit to plant breeders. This extension has already been decided on for certain species (see Table 4). Moreover, protection may also be extended to the sale of specified parts or products in so far as they have been obtained by the seller from plants which he has himself produced or multiplied. No such extension has yet been decided upon.

60. Production of propagating material for purposes other than sale of that material. The case here is that of a farmer who lawfully procures a limited quantity of propagating material, multiplies it and uses the material thus produced for the growing of the end product. At the 1978 Diplomatic Conference, much was made for instance of the possibility of a farmer buying a tree of a variety covered by a right



with a scope as provided for in Article 5(1) of the Convention, and multiplying it in order to start a commercial orchard. The breeder would in that case have collected no royalty other than that on the first tree bought. During the preparatory work on the 1978 Diplomatic Conference, the question had also arisen of the production of ornamental plants necessary for the decoration of a town or its public parks by the administrative body responsible and of the production of forest trees by a State-owned nursery with a view to their planting on public land.

Table 4Additional Rights Granted in the United Kingdom

Species	Additional right
	Exclusive right to produce or multiply protected varieties of these species with a view to the production of:
Ornamental species (rose, carnation, chrysanthemum, dahlia, lily, etc., to the exclusion of certain perennial herbaceous species)	- cut flowers
Certain trees, bushes and woody climbers (Aucuba, box, camellia, etc.)	- cut flowers, foliage and stems
Certain conifers (Thuja, Cupressus, Chamaecyparis, X Cupressocyparis, Taxus and Tsuga)	- cut foliage
Fruit species	- fruit
Rhubarb	- petioles
Hops	- cones

61. This production is subject to breeders' rights in South Africa and France in all cases, as the breeder's fundamental right relates to the production of propagating material, and the purpose of that production is not specified. The same applies in Israel, where the right extends to the growing and multiplication of the variety.

62. This production is subject to the breeder's right in the case of ornamental plants where the end product is protected, in other words, in France, Italy and Switzerland, but within the limits of protection as extended to the end product. Thus, if the acts covered by protection are production for commercial purposes (in the strict sense) and marketing, the production of ornamental plants by the nursery of a town with a view to the decoration of that town would not be an infringement, as there would not have been production for commercial purposes or marketing.

63. It should be borne in mind that the production of propagating material of an ornamental plant with a view to the commercial production of plants or cut flowers, using for that purpose plants or parts of plants that are marketed for purposes other than multiplication is reserved to the owner of the protection in all the States under provisions corresponding to the third sentence of Article 5(1) of the Convention.

64. In Denmark, the Minister of Agriculture may grant

breeders a more extensive right for certain species other than ornamental species, pursuant to Section 14a of the Law, namely that of demanding, under conditions laid down by the Minister, a royalty from any person who produces propagating material for profit-making purposes other than sale. This right may have a duration shorter than the actual duration of protection, and may be confined to the production or multiplication for the production of crops for specific purposes. A similar system, applying to all species however, has been provided for in the United Kingdom (see paragraph 59 above and Table 4).

65. Production and sale of plantlets of varieties reproduced by sexual means. This problem is becoming more and more pressing in the case of market gardening: certain horticulturists have specialized in the production of plantlets sold in clumps to other horticulturists who produce the vegetable. The breeder can suffer substantial losses when the plantlets are produced from seeds that have been previously multiplied and when the plantlets are not regarded as propagating material.

66. The production of plantlets is subject to the breeder's right in Belgium and France, owing to the definition of the elements of the plants to which the rights relate (see Table 3), and in the Netherlands, in which the reproductive or vegetative propagating material is defined as being plants or parts of plants intended for cultivation

by planting or sowing or by any other means. In Israel, it is reserved to the breeder, as protection relates in particular to the growing and marketing of the variety.

67. In Spain, the fact may be invoked that the breeder's right extends to the use of the propagating material by any means permissible by law in order to make such activities subject to breeders' rights.

68. According to the interpretation of the expression "propagating material," this activity could also be eligible for protection in Spain, Italy and Sweden (where the expression is not defined), and in Denmark and Switzerland (where it is illustrated by examples), and, it seems, in the United Kingdom. South Africa, which makes any production of propagating material subject to protection, without specifying the purpose of the production, would, if the Act were interpreted literally, cover the production of young seedlings grown from previously multiplied seeds. The same is true of Spain and France, but in those countries other provisions can also be invoked.

69. This production may be expressly made subject to protection by ministerial decision in Denmark--in the case of non-ornamental plants--and in the United Kingdom under the provisions described in paragraphs 59 and 64 above.

This possibility exists also in Israel.

70. Production and distribution of propagating material by

a cooperative for the benefit of its members, by a canner or other food industry for the benefit of farmers under contract, etc. This activity should be subject to breeders' rights owing to the meaning was attributed to the expression "for the purposes of commercial marketing" (see note 3 at the foot of page 34). It is subject to breeders' rights in the following States owing to the definition given to the act of commercialization to which the breeders' rights relate: South Africa, Federal Republic of Germany, Belgium, Spain, Netherlands, United Kingdom, Sweden. In France and Israel, and also in South Africa and Spain, it is so subject owing to the fact that protection relates to any production of propagating material. As far as Switzerland is concerned, it is subject to breeders' rights according to the interpretation of Article 12(1) of the Law given in the Message of the Federal Council to the Federal Assembly concerning the protection of plant varieties (of May 15, 1974)<sup>4</sup>. Finally, for want of a definition of the

4 The Message reads as follows :

"Under this provision, the effects of protection extend to certain types of use, which are intended to produce propagating material of the protected variety for the purpose of commercializing it, offering it for sale or selling it in the course of business. It is therefore left to the discretion of the holder to decide to whom, under what conditions and for what charge he is going to allow the production for profit-making purposes of the propagating material of the variety or its sale in the course of business. The right of protection does not extend, on the other hand, to the production of propagating material for the producer's own needs, or to the gratuitous handing over of the material to neighbors or, as a gift, to other persons."

expressions "offer for sale and commercialize" and "market," it is impossible to ascertain whether this activity is eligible for protection in Denmark and Italy.

Exhaustion of the rights of the breeder

71. General remarks. This expression designates the legal theory according to which an intellectual property right is "used up" or "exhausted" by the marketing of its subject matter by the owner of the right or his licensee in such a way that the owner can no longer assert claims by virtue of that right in the face of subsequent acts of exploitation. In simplified form, this theory provides that, after the subject matter of the right has been lawfully marketed, no further royalty may be demanded for any subsequent act, and such acts can no longer be prohibited. Such a rule may be derived from either statute law or case law.

72. Exhaustion of rights in States. The principle of the exhaustion of rights has been established by case law in the Federal Republic of Germany. The statement of grounds of the Bill submitted to Parliament in 1967 (Drucksache des Bundesrats 51/67, page 30) describes precisely how this principle is to be applied to the protection of plant varieties:

"The effect of breeders' rights is exhausted when the owner of the rights, or a third party with his consent, has placed the propagating material on the

market. This derives from the concept of "exhaustion of rights" developed by intellectual property case law, which continues to apply<sup>5</sup> to the legal system provided for in the Bill. Paragraph (4)<sup>6</sup> provides for exceptions to the principle of the exhaustion of rights in cases where propagating material has to be exported to a territory in which the variety is not and cannot be protected. In that case export is always subject to special authorization by the owner of the right, even where the propagating material is placed on the market with his consent. The lawful placing on the market of propagating material naturally causes only the right to prohibit the subsequent sale of that material to be exhausted. The use of the material for further propagation remains subject to authorization by the owner of the breeder's right, in so far as the new propagating material is produced for the purposes of commercial marketing."

73. Similar principles underly the legislations of South Africa and the Netherlands. In South Africa, Section 23(3) of the Act provides that it is not an infringement of a plant breeder's right if a person who has procured any propagating

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5 In the legal system initially provided for in the 1953 Seed Law.

6 Of Article 15.

material or product derived therefrom for purposes other than propagation or multiplication. As a consequence of the principle of the exhaustion of rights being written into the Act, the provision corresponding to the third sentence of Article 5(1) of the Convention is drafted in the Act in the form of an exception to the principle of exhaustion. As for the Netherlands, Section 40(4) of the Act specifies that, if the propagating material of a variety for which the plant breeders' rights have been granted has been commercialized in a manner that does not prejudice the rights of the holder of the plant breeders' rights, those acquiring the propagating material or the subsequent holders of it are not regarded as acting in a manner prejudicial to the plant breeder's right if they offer it for sale, export it or stock it for any of those purposes. It will be noted in passing that in South Africa, unlike in the Netherlands, there is no exhaustion of the exclusive right of export.

74. The law of the United Kingdom also deals with the question of exhaustion of rights, but from a different angle, as Section 4(5) of the Act provides that the sale of reproductive material does not imply that the seller authorizes the purchaser to produce the reproductive material for the purpose of selling it, and does imply, subject to any terms or conditions imposed by the seller, that the seller authorizes the purchaser to sell the reproductive material sold to him.

75. The laws of the other States, namely Belgium, Denmark,

France, Spain, Israel, Italy, Sweden and Switzerland,

do not contain any provision on the exhaustion of rights.

In some of those States not even the concept of the exhaustion of rights exists, and the degeneration of the right in the course of its existence is not even acknowledged.<sup>7</sup>

#### Definition of and sanctions for infringements

76. The exercise and effective defense of the right conferred on the owner of protection presuppose that the latter has, as provided in Article 30(1)(a) of the Convention, appropriate legal remedies for the defense of those rights against malpractice (infringements) on the part of third parties.

In this connection a distinction should be made between two types of remedy: the appeals available under civil law and those available under criminal law. In addition there are two types of abuse that are to be taken into consideration, namely violations of the rights granted on the basis of Article 5 of the Convention and acts associated with the

7 It should be pointed out, however, that some of these States have already taken legislative steps for the application of the Community Patent Convention, which embodies the principle of exhaustion of rights, both for the Community Patent (Article 32) and for the national patents of the State concerned (Article 81). This is true in particular of France (Section 30bis of Patent Law No. 68-1 of January 2, 1969, most recently supplemented by Law No. 78-742 of July 13, 1978) and Italy (Section 1 of Decree No. 1127 of June 29, 1939, as most recently amended by Decree No. 228 of June 22, 1979).

variety denomination that may prejudice the owner of the protection, in other words failure to use the variety denomination, which infringes the provision based on Article 13(7) of the Convention, and misuse of the denomination, which infringes the provision based on Article 13(8) of the present text of the Convention. In the paragraphs below, we shall analyze the provisions of plant variety protection laws concerning these questions, on the understanding that other sources of law can also play a very important part.

77. In South Africa, the owner of the breeder's rights may, under Section 47 of the Act, obtain by action in any competent court compensation from a person who infringes the right in an amount not exceeding 500 rand, on proof of the infringement of his rights, but without proof of the damages that might arise from such infringement. Such action is available in lieu of any other action for damages in any amount which might arise from the infringement.

78. With regard to unlawful acts committed in relation to variety denominations, Section 45 of the Act provides a fine not exceeding 500 rand, imprisonment for a period not exceeding one year, or both, for a person who, at the sale of propagating material for the purpose of propagation or multiplication, uses a denomination for that material which is different from the denomination registered, or uses the registered denomination of another variety of the same kind of plant, or uses a denomination which corresponds so closely to a registered denomination that it is misleading. The same penalties are also

provided for a person who falsely represents that such material is propagating material of a protected variety or derived from such a variety.

79. In the Federal Republic of Germany, any person infringing a breeder's right or making use of the denomination of a variety protected in the country or in another member State of the Union or a denomination likely to cause confusion with it for designating another variety may, by means of an injunction, be held answerable by the aggrieved party for such violation. Any such person committing such act willfully or out of negligence is required to make good to the aggrieved party the loss or damage resulting from the act in question; the tribunal may grant, in lieu of compensation for such loss or damage, an indemnity the amount of which it establishes at a point between the loss or damage sustained by the aggrieved party and the advantage that the person responsible for the loss or damage has derived from it, where he is guilty only of a minor negligence. Civil actions lapse under the statute of limitations after three years from the time at which the claimant obtains knowledge of the infringement and of the identity of the infringer and irrespective of such knowledge, after 30 years following the infringement. Nothing in these provisions precludes actions grounded on other legal provisions, however (Article 47 of the Law).

80. Moreover, criminal prosecution may take place at the request of the injured party, the infringer being liable to a penalty of imprisonment for a period of up to one year or

to a fine in the case of violation of the breeder's rights (Article 49 of the Law).

81. An offense liable to a fine not exceeding 10,000 marks imposed by the Federal Office of Plant Varieties is constituted on the one hand by willful or negligent failure to make use of the variety denomination or willful or negligent failure to indicate the denomination in a readily distinguishable and clearly legible manner in the commercialization of propagating material or of plants or potted plants commercialized for cultivation purposes, and on the other hand by willful or negligent use of the denomination of a variety protected in the country or in another State of the Union, or of a designation likely to cause confusion with it, for another variety of the same botanical species or of any related species (Article 51 of the Law). It should be noted that these provisions apply also to variety denominations registered in other States of the Union on the basis of the legislation on plant variety protection.

82. In Belgium, either of the following acts, committed knowingly and without the consent of the owner of the new plant variety certificate, is considered an act of infringement: (a) the commercial production and commercialization of reproductive or vegetative propagating material of a protected variety, including ornamental plants or parts thereof that are normally marketed for purposes other than propagation, and (b) the repeated use in each reproduction cycle of the reproductive or propagating material of a

variety protected by a new plant variety certificate in order to produce another variety for the purposes of commercialization (Section 35 of the Law). Infringement actions may be brought for the purpose of confiscation of the objects produced by means of the infringement, cessation of the infringement and payment of compensation for the loss caused by the infringement (Section 37 of the Law). The procedural details for legal action in the protection of plant varieties are laid down in the Judicial Code. In particular, Section 1481 of that Code allows the owner of the new plant variety certificate and his successors in title to cause to be made, with the authorization of the court obtained on request, by one or more experts designated by the judge, the description of the variety and propagating material alleged to be infringed, as well as any documents, calculations, writings, plants or parts of plants likely to establish the truth of the allegation.

83. In Denmark, any person who willfully or through gross negligence infringes the rights of the breeder as specified in Section 14(1) and (2) of the Law--which corresponds to the minimum required by Article 5(1) of the Convention--or who does not of his own accord furnish the breeder with the necessary information for the calculation and collection of the royalty payable if that person propagates a protected plant variety for purposes of sale or offers for sale or commercializes propagating material of a plant variety, is liable, on filing of a complaint, to a fine, provided that he is not liable to a heavier penalty under the general law



(Section 20 of the Law). Moreover, where any person is found to have sustained damage resulting from violation of the breeder's right but the extent of the damage is not capable of proof, he may be awarded damages not exceeding 5,000 kroner (Section 20a of the Law). Finally, violation of the rules on the use of variety denominations is also punishable by a fine (Section 20(2)(a) of the Law).

84. In Spain, infringement incurs the civil liability of the infringer, who is obliged to furnish compensation for the damage and loss caused if the infringement consists in any of the following:

- (i) producing reproductive material for commercial purposes or marketing;
- (ii) marketing plants or parts thereof normally marketed for purposes other than propagation, if they are then used as propagation material;
- (iii) repeatedly using reproductive material of a particular plant variety for the production of propagation material of a new plant variety;
- (iv) export of propagation material without special authorization from the owner of protection.

Other infringements resulting from an act of use of the variety or from any other violation of the rights of the breeder do not give rise to compensation for the damage and loss caused thereby unless fault or negligence are involved. Fault is presumed to exist if the infringer has been warned by the owner of protection of the existence of that protection and has been called upon to put an end to the infringement. The compensation referred to relates to the amount of the loss and of the profit which would have otherwise have been obtained, and also to damages for the loss of the goodwill attaching to the plant variety caused by inadequate use made by the infringer. Apart from this, the injured party is entitled to :

- (i) the cessation of the act infringing his right;
- (ii) the withdrawal from circulation of all the plant material obtained through illegal acts that is in the possession of the infringer, and its destruction if this is indispensable;
- (iii) reversion to himself, as his own property, of the infringing plant material, in which case allowance for its value is made in calculating the compensation for damage and loss;
- (iv) the publication of the judgment, at the expense of the losing party, in the Bulletin of the Registry of Protected Plant Varieties (Section 18 of the Law).

85. Willful infringement of the rights of the breeder can give right to criminal action, which may be brought by the injured owner of protection or licensee or by his successors in title (Section 19 of the Law).

86. Other acts contrary to the provisions of the Law and its implementing provisions are regarded as administrative offenses and are punished by fines, without prejudice to the competence of the courts of justice, as regards the civil or criminal liabilities resulting from those acts (Section 20 of the Law). In the case of a second offense, in other words an infringement occurring within five years following a sanction for infringement of the principles of the Law, fines are increased by 50 per cent, or even tripled if the offender has committed a clandestine or fraudulent offense. In the latter case, suspension of the activities in relation to which the offense arose may be ordered for a period of up to one year (Section 24 of the Law).

87. The following are regarded as fraudulent offenses and are punishable with fines of between 20,000 and 100,000 **pesetas** and, where appropriate, confiscation of the plant material giving rise to the fine:

(i) acts of assignment of plant material which, while purporting to be protected by the title of protection, do not correspond to the features recorded in the Register of Protected Plant Varieties;

(ii) acts of non-compliance, imputable to any of the interested parties, with the conditions included in the license to use the variety and affecting the intrinsic qualities of the material and the circumstances on which the decision to issue the title of protection was based.

Acts which evade or attempt to evade or make difficult the supervision of the activities governed by the Law and the observance of regulations issued for its implementation and financial operation are regarded as fraudulent and are punishable by a fine of between 10,000 and 50,000 pesetas and by confiscation of the merchandise. Other offenses shall be regarded as against the rules and shall be punished with fines of between 10,000 and 25,000 pesetas (Sections 20 and 22 of the Law).

88. The laws on the suppression of fraud in respect of agricultural products or of material necessary for agriculture apply as subsidiary legislation (Section 21 of the Law).

89. Finally, Section 7(5) of the Law provides that, unless expressly agreed otherwise, the licensee may bring the same actions as the owner of the protection without any formality other than formal notification of the bringing of the action, in the event that the latter should think it advisable to be a party.

90. In France, infringement is assessed differently depending on whether it involves the reproducer or propagator or a third

party. In the case of the reproducer or propagator, a violation of the rights of the breeder constitutes an infringement for which the offender is liable. In the case of a third party, the violation has to be committed with knowledge of the facts. Infringement proceedings may be brought by the owner of the right and also by the holder of a license of authority and, unless otherwise stipulated, by any person having an exclusive right of exploitation if, after a summons to do so, the owner fails to do so. In that case, the owner is entitled to take part in proceedings brought by the licensee. Moreover, any licensee is entitled to take part in proceedings brought by the owner to obtain compensation for loss that he has personally sustained. (Section 23 of the Law). With a view to judicial action, the owner of the right, or where appropriate the owner of a license of authority or any person having an exclusive right of exploitation, is entitled, with the court's authorization, to cause a detailed description to be made, with or without seizure of goods, of any plant or part of a plant or of any element of reproduction or vegetative propagation alleged to have been obtained in violation of these rights. If the plaintiff fails to bring proceedings within the prescribed period, the description or seizure is null and void, without prejudice to any damages which may be claimed (Section 27 of the Law). Finally, at the request of the injured party, the civil court may order on his behalf the confiscation of any plant or part of a plant or of any element of reproduction or vegetative propagation obtained in violation of the rights of the owner of protection and, where applicable, the confiscation of the

instruments specifically intended for use in the reproductive cycle (Section 28 of the Law).

91. Infringement may also be the subject of criminal action: any conscious infringement of the rights of the owner of protection constitutes an offense punishable by a fine of between 2,000 and 15,000 francs, to which may be added imprisonment of between two and six months in the event of recidivism, in other words when the offender has been convicted of the same offense within the five preceding years (Section 24 of the Law). Criminal action is brought only on a formal complaint by the injured party after the civil court, by a decision amounting to res judicata, has declared the offense committed (Section 25 of the Law). The limitation period for bringing a civil or criminal action is three years starting from the event giving rise to the right of action, except that the limitation period for criminal proceedings is suspended by the institution of civil proceedings. (Section 29 of the Law).

92. Moreover, any person improperly claiming the ownership of breeders' rights or of an application for breeders' rights is liable to a fine of between 2,000 and 5,000 francs, which may be doubled in the event of recidivism (Section 31 of the Law).

93. Finally, the Law contains no provisions on abuses involving the variety denomination, which are within the purview of the legislation on the repression of frauds.

94. In Israel, only the holder of breeder's right or his agents may file action for infringement (Section 61 of the Law) with a view to obtaining relief by way injunction or compensation (Section 65(a)). In awarding compensation, the court has regard to the act constituting the infringement and to the position of the plaintiff in consequence of that act, and it may take into account, inter alia, the direct damage caused to the plaintiff, the extent of the infringement, the profit derived by the infringer and the reasonable royalties which the infringer would have had to pay if he had been granted a license to use the breeder's right to the extent to which he infringed it. Where the infringement is committed after the plaintiff has warned the infringer, the court may order the infringer to pay punitive damages, the amount of which must not exceed the amount of the compensation. Where compensation has been claimed, the court may order the infringer to make a report as to the extent of the infringement, but the court is not bound by the report for the fixing of the amount of compensation (Section 65 of the Law).

95. Israeli law allows the owner of protection a six-month period of grace for payment of the annual fee (Section 75). If an infringement has been committed between the time for payment of the fee and the date of its actual payment within the six-month period, the court may refuse to award compensation if there was no just cause for non-payment, the burden of proof of justification being on the plaintiff (Section 68 of the Law). Israeli law also provides for the possibility of reinstating the breeder in his rights where the latter have

lapsed by reason of non-payment of the annual fee (Sections 77 to 81). Restoration may be made subject to conditions, including the payment of compensation to any person adversely affected by the order, and permission for a person who utilized the registered variety while the rights were lapsed to continue utilizing it in the course of his business only, with or without consideration, for the period prescribed by the Registrar. The right of use may only be transferred together with the business in which the variety was used (Sections 80 and 81 of the Law).

96. Like the provisions referred to in the previous paragraph, Sections 66 and 67 of the Law are also to be found in the Patent Law. Section 66 provides that, where a breeder's right was infringed before leave was given to amend one of the claims in the specification--which in fact means the description of the variety--and compensation for the infringement is claimed after the giving of such leave, the court need not take the giving of leave into account if the claims in the original specification were not drafted in good faith and clearly. According to Section 67, the fact of part of a breeder's right being revoked does not in itself debar the plaintiff from receiving compensation, but the court may refuse to award compensation if the claims in the original specification were not drafted in good faith and clearly.

97. The criminal provisions are that a person who knowingly infringes a breeder's right is liable to imprisonment for

a term of one year or a fine of 25,000 Israeli pounds or, in the case of a second offense, 30,000 Israeli pounds (Section 82 of the Law). Imprisonment for a term of six months or a fine of 2,000 Israeli pounds is provided for cases where the variety denomination is not used and where the variety denomination or a confusingly similar denomination is used for another variety (Section 84 of the Law).

98. In Italy, Decree No. 974 of August 12, 1975, which is the basic text on the protection of plant varieties, does not contain any provisions on infringement. Therefore, under Section 2 of that Decree, the provisions of the Patent Law are applicable provided that they are not inconsistent with the Decree. The Patent Law<sup>8</sup> provisions on the sanctions for infringement, which are obviously designed for patent infringement, are reproduced in Annex I to this document. In connection with those provisions, we would mention that Italy provides for the possibility of causing the description or seizure of the infringing articles and of the means for their production to be effected, the possibility of provisionally ordering the cessation of acts alleged to be infringements, the award of damages, including the transfer to the owner of the patent of ownership of the infringing articles and means of production and, finally, the infliction of a fine.

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<sup>8</sup> Consolidated version of Royal Decree No. 1127 of June 28, 1939, as amended by Law No. 514 of July 1, 1959, and by Presidential Decrees No. 849 of February 28, 1968, and No. 540 of June 30, 1972.

99. Section 96 of the Netherlands Act provides that violation of breeders' rights is an offense and, if intentional, a criminal offense liable to sanction under the Economic Offenses Act (Section 97). From the civil law standpoint, breeders' rights are regarded as movable property (Section 48(2) of the Act).

100. In the United Kingdom, infringements of plant breeders' rights are actionable at the suit of the holder of the right, and in any proceedings for such infringement all such relief, by way of damages, injunction, interdict, account or otherwise, is available as is available in any corresponding proceedings in respect of infringement of other proprietary rights (Section 4(1) of the Act). However, if the person infringing the rights was not aware, and had no reasonable grounds for suspecting, that the plant variety was protected, or where the infringement consists of a breach of conditions attached to a license, if that person had no notice of any of those conditions, there is no right to damages in respect of an infringement of plant breeders' rights, but the right to demand an account of profits in respect of the infringement (and to payment of any amount found due on the account), whether any other relief is granted under Section 4 of the Act or not (Section 4(3) of the Act).

101. Under Section 5(6) of the Act, the use of the variety denomination or a name so nearly resembling it as to be likely to deceive or cause confusion, in selling or offering

or exposing for sale reproductive material or, where protection has been extended to material other than reproductive material, that other material from a different plant variety within the same class for the naming of varieties, is a wrong actionable in proceedings by the holder of the right. It is a defense to a claim for damages in any such proceedings, however, to prove that the defendant took all reasonable precautions against committing a wrong of the kind alleged and had not, when using the name, any reason to suspect that it was wrongful. Moreover, under Section 5A(5), a person who uses a name other than the registered denomination in selling the material concerned or in offering it for sale or who uses, in connection with this denomination, any trademark or trade name (whether registered under the Trade Marks Act 1938 or not) used or intended to be used exclusively in connection with the denomination is liable, on summary conviction, to a fine not exceeding 100 pounds or to imprisonment for a term not exceeding three months, or to both. It is a defense against the sanction, however, to prove that the accused took all reasonable precautions against committing an offense of the kind alleged and had not, at the time of the alleged offense, any reason to suspect that an offense was being committed by him and, where the accused obtained the reproductive material from some other person, that, on demand or on behalf of the prosecutor, the accused gave all the information in his power with respect to the name and address of that other person, and with respect to the relevant document in his possession, or power, relating to the material and the contract of sale.

102. Finally, false representation of entitlement to plant breeders' rights or to the exercise of rights deriving from them is an offense liable to a fine not exceeding 100 pounds or to imprisonment for a term not exceeding three months, or to both, if the offender knows that the representation is false or makes the representation recklessly (Section 13(1) of the Act).

103. In Sweden, a person who intentionally or through negligence infringes a breeders' rights has to pay a reasonable compensation for the utilization of the plant variety, as well as compensation for the further damage caused by the infringement; action for compensation has to be brought within five years from the date on which the damage occurred; infringement committed without intention or negligence gives the right only to compensation in so far as this is reasonable (Section 37 of the Act). Moreover, at the request of the owner of protection the court may order, in accordance with what is reasonable for the prevention of further infringement, plant material with regard to which infringement exists to be surrendered, in return for payment, to the person whose right has been infringed, or to be destroyed, except where a person who has not himself infringed the breeder's rights has acquired that material or a special right thereto in good faith. The court may also, if so requested, make an order giving the possessor of infringing material a right of disposal over the material in return for reasonable payment and on other reasonable terms (Section 38 of the Act). Intentional

infringement may be the subject of criminal prosecution if the aggrieved party reports the offense for prosecution and if prosecution is required for special reasons of public interest. The offender is liable to a fine or to imprisonment for a term not exceeding six months (Section 37 of the Act).

104. Failure to use the variety denomination in the commercialization of propagating material, and the use of the variety denomination or a denomination that can be confused with it for another variety of the same or a closely related species or for material of such a variety is punishable by a fine and by the provision of compensation for damage caused, whether the acts are intentional or a result of negligence. In the case of slight negligence, no penalty is imposed and the compensation may be adjusted (Section 41 of the Act).

105. In Switzerland, the Law provides for protection under civil law, comprising the possibility of making interim orders, and protection under criminal law. The purpose of the interim orders is notably to ensure the provision of evidence, the continuance of a state of affairs or the exercise of disputed rights relating to the discontinuance of an act or the elimination of the situation resulting from it. The orders are made at the request of a person entitled to bring an action, if that person has established the likelihood that the opposing party has infringed or intends to infringe the provisions of the Law and that he is consequently

threatened with damage difficult to make good and which can only be prevented by the interim orders. The opposing party has to be heard, but the interim orders may be made in advance if there is danger in delay (Article 43 of the Law). Interim orders which are liable to cause damage to the opposing party are subject to an obligation to provide security. Conversely, where the opposing party provides adequate security to the applicant, the making of interim orders may be waived or such orders, if already made, may be revoked (Article 44 of the Law). When an interim order is made before an action has been initiated, the action has to be brought within 60 days, failing which the interim order lapses (Article 45 of the Law). Article 46 of the Law contains provisions on the redress of damages caused by an interim order if the claim on the grounds of which it was made proves to be ill-founded.

106. With regard to protection under civil law, Article 39 of the Law provides for the possibility of bringing an action with a view to establishing the existence or absence of a legal relation falling to be judged in accordance with the Law, within which infringements may be included. Anyone who is threatened or injured in his rights deriving from protection or in his right to the denomination of a variety --that is, according to the Message of the Federal Council to the Federal Assembly concerning the protection of a new plant varieties (of May 15, 1974), the owner of protection --may bring an action for an injunction ordering the discontinuance of an act or the elimination of the unlawful situation resulting from it. In the event of prejudice and

negligence, the injured party may also claim damages. Finally, Article 40 of the Law provides for the safeguarding of manufacturing or business secrets of the parties concerned. Under Article 60(1) of the Code of Obligations, claims lapse after a year following the date on which the injured party became aware of the damages and of the person responsible for them and, in all cases, ten years after the date on which the offending act occurred.

107. With regard to protection under criminal law, any violation of the rights conferred on the basis of Article 5 of the Convention, in other words any act unlawfully accomplished according to the law or a contract is punished, on complaint by the injured party, by imprisonment for up to one year or fine if intentional, or by a fine if through negligence. The right to lodge a complaint lapses on the expiry of a period of six months from the date on which the identity of the person responsible is known to the injured party (Article 48 of the Law). Offences committed involving the variety denomination, and false indications that a product is protected, are punished by a fine if intentional. The attempt to commit an offence and complicity in an offence are also punishable (Article 49 of the Law). Fines are fixed as follows by the Criminal Code: for intentional infringements as referred to in Article 48 of the Law, a maximum of 40,000 francs pursuant to Article 48 of the Criminal Code; the court is not bound by that limit, however, if the infringer was motivated by desire for gain, it being possible moreover to combine the fine with imprisonment pursuant to Article 50(2) of the

Criminal Code; for infringements through negligence and deliberate offences as referred to in Article 49, a maximum of 5,000 francs pursuant to Article 106 of the Criminal Code. Finally, Article 40 of the Law allows the judge to order the confiscation of products manufactured unlawfully even in cases where no specific person can be prosecuted and sentenced. Under Article 50(1) of the Criminal Code, the handing over of these products to the injured party is left to the discretion of the judge.

#### Possibilities for harmonization of national legislations

108. Table 5 summarizes the characteristics of the legislation of member States regarding the scope of protection. The study of the possibilities for harmonization of national legislations should be concentrated on the following questions:

(i) demarcation of protection: it should be determined, for each type of variety, what acts have to be covered by protection;

(ii) establishment of principles governing the definition of the scope of protection: the question should be settled, for instance, whether a general definition of propagating material or the system used by Belgium and France, which consists in specifying, for each type of species, the elements of the plant to which the breeder's rights relate, should be adopted;



(iii) establishment of a model definition of the scope of protection (owing to the different conceptions on the drafting of legal texts, it will probably be difficult to devise a definition that suits all member States);

(iv) definition of and sanctions for infringements: here it is a question of dealing not only with fundamental matters such as the definition of and sanctions for infringements, but also with secondary questions such as the lapse of claims, taking into account general legal texts (Criminal Code and Code of Criminal Procedure for instance) and comparable legislation (patent law for instance).

As the terminology is often influenced or determined by other sources of law, it should not be adhered to in the initial stage.

Table 5

Main Characteristics of the Legislations of Member States  
on the Scope of Protection\*

	ZA	D	B	DK	E	F	IL	I	NL	UK	S	CH
<u>Definition of propagating material</u>												
- No definition					X		X	X			X	
- Definition in general terms or by means of examples	X	X	X	X					X	X		X
- Definition for each individual case			X			X						
<u>Acts to which breeders' rights relate**</u>												
- Cultivation, propagation, marketing of the variety							X					
- Production of propagating material												
+ without indication of the purpose of the material	X				X	X						
+ for commercialization, sale, professional purposes, etc.		X	X	X				X	X	X	X	X
- Commercialization		X	X	X					X		X	
+ placing on the market								X				
+ offering for sale	X	X	X	X		X			X			X
o publicity	X											
o storing and stocking for sale	X	X	X						X			
o agreement to sell, exchange or dispose of for consideration	X											
+ sale, placing on sale	X	X	X		X	X			X	X	X	
o sale in the course of business												X
o exchange			X									
o delivery (free or for a consideration)			X						X			
+ any form of distribution or supply other than sale		X									X	
+ any transaction effected in the course of business by which ownership of the propagating material is transferred, or such material is assigned under a contract for the production of new material or other crops										X		
- Use by any means permissible by law					X							
- Import												
+ import	X		X							X		
+ introduction into the territory to which the law applies					X	X		X				
+ import for purposes of sale											X	
- Export	X		X		X				X			

\* This table takes no account of certain peculiar feature of national legislations on plant variety protection, or of the provisions of incidental legislation (legislation on seeds and commercial codes in particular).

\*\* In this part only the terminology used in the texts of the law is recorded, without any attempt at interpretation.

	ZA	D	B	DK	E	F	IL	I	NL	UK	S	CH
<u>Protection in specific cases</u>												
- End product												
+ possibility of protecting the end product						X	X					
o in all cases												
o in the case of ornamentals								X				X
o when it has been produced by a person from propagating material produced by that person										X		
+ protection of the end product in the case of ornamentals						X		X				X
- Production of propagating material for purposes other than the sale of that material (for the purposes of the production of the end product)												
+ possibility of making this production subject to breeders' rights							X			X		
o in all cases				X								
o except in the case of ornamentals												X
o in the case of ornamentals (the end product being capable of protection)												
+ production subject to breeders' rights	X					X	X					
o in all cases (protection covers propagating material without any indication of purpose)										X		
o in certain cases (fruit plants and ornamentals; rhubarb; hops)												
o in the case of species propagated vegetatively, according to interpretation of the law					X							
o in the case of ornamentals (because of the protection of the end product)*						X		X				X
- Production and sale of seedlings of sexually reproduced varieties for planting												
+ possibility of making such activities subject to breeders' rights												
o owing to the absence, general nature or specific nature of the definition of propagating material			X	X	X	X	X	X	X	X	X	X
o in the case of prior multiplication of seeds												
/ owing to the possibility of making the production of seeds for purposes other than the sale of seeds subject to breeders' rights				X						X		
/ owing to the fact that protection covers the production of seeds without any indication of purpose, or multiplication of the variety	X				X	X	X					
+ activities subject to breeders' rights												
o expressly stated			X			X			X			
o according to the interpretation of "propagating material" or "propagation of the variety"				X	X		X	X		X	X	X
o in the case of prior propagation of seeds, for the reasons indicated above	X											

\* In most States this case is covered by the provision corresponding to the third sentence of Article 5(1) of the Convention.

[illegible]

CHAPTER V

PERSONS ENTITLED TO PROTECTION

General

109. The introduction to Article 6(1) of the Convention provides that "the breeder shall benefit from the protection ...," whereby the reference to the breeder also applies, according to Article 1, to his successor in title. A study is made here of how this provision has been reflected in the national plant variety protection laws as regards the following aspects:

- (i) independent breeding of a variety by two or more persons;
- (ii) joint breeding of a variety by two or more persons;
- (iii) rights of joint owners of plant breeders' rights;
- (iv) breeding of a variety by an employee;
- (v) filing of an application by a person not entitled to protection.

All States, with the exception of France (see, however, paragraph 111 below), have included in their plant variety protection legislation a provision that the right to protection shall belong to the breeder or his successor in title.

110. Here again, it must be borne in mind that the plant variety

protection laws do not in every case have to deal with certain problems since their solution is found in other sources of law.

111. In this connection, the French Law on the Protection of New Plant Varieties constitutes a special case since it contains no provision laying down which persons are entitled to protection. Section 3 of the Law, for example, is worded as follows: "Any new plant variety may be the subject of a new plant variety certificate, which shall confer on its owner the exclusive right..." The result of these arrangements is that the applicant need not be the breeder and that the Committee for the Protection of New Plant Varieties is not called upon to judge whether the applicant is entitled to file an application for protection. Nevertheless, form IA, which the applicant is required to complete, asks for the name of the breeder if he is not the applicant. Furthermore, Section 18 of Decree No. 71-764 of September 9, 1971, stipulates that disputes relating to the validity of a breeder's right to the variety for which an application has been filed, made possible through publication of the filing of the applications in the official bulletin and by unrestricted consultation of the register of applications, shall be heard directly by the courts.

Independent breeding of a variety by two or more persons

112. The following States explicitly stipulate that where a variety is bred independently by more than one person, the

right to protection belongs to the first of those persons to file an application: South Africa (Section 8(1) of the Act), Federal Republic of Germany (Article 12 of the Law), Belgium (Section 26(4) of the Law), Denmark (Section 1(5) of the Law), Spain (Article 5(1)(b) of Decree No. 1674/1977 of June 10, 1977), Israel (Section 9 of the Law), Netherlands (Section 33 of the Act), United Kingdom (Section 1 of Part I of Schedule 2 to the Act - see however the following paragraph), Switzerland (Article 9(3) of the Law). This principle is expressly subject to the provisions on priority in Article 12 of the Convention in South Africa, Denmark, Israel (Section 72 of the Law), Netherlands (Section 34(2) of the Act, United Kingdom (Section 2 of Part I of Schedule 2 to the Act) and Switzerland. In three other States, the Federal Republic of Germany, Belgium and Spain, the effect of priority under Article 12 of the Convention is not spelt out, but in Spain the relevant provision applies only to persons having equal rights. The same result is obtained in France by means of Section 7(1) of the Law which stipulates that a variety is not new "if it is described in an application for a certificate or in an unpublished French certificate or in an application filed abroad and enjoying priority [under Article 12 of the Convention]."

113. The principle of granting the right to protection to the first person to file an application in the prescribed form only applies in the United Kingdom, under Section 1(1) of Part I of Schedule 2 to the Act, where the applications for

protection are filed on different dates. Where such applications are filed the same day, priority is given to the person who is first in a position to make a valid application or who would have been if the Act had always been in force for the species in question. In other words, priority is given to the person who has bred or discovered the variety first.

Joint breeding of the variety by two or more persons

114. The following States stipulate that where a variety has been bred by more than one person the protection right shall belong jointly to such persons: Federal Republic of Germany (Article 12 of the Law), Belgium (Section 26(3) of the Law), Spain (Article 5(1)(a) of Decree No. 1674/1977 of June 10, 1977), Netherlands (Section 32 of the Act), Switzerland (Article 9(2) of the Law). In Belgium, such right is indivisible except where otherwise agreed by the parties. In Spain, it is indivisible.

Rights of joint owners of plant breeders' rights

115. Details concerning the rights of co-owners of plant breeders' rights are given in the legislation of South Africa, Spain, Italy and the Netherlands.

116. As regards South Africa, Section 28 of its Act provides that, except in the case of written agreement to the contrary, each joint holder is entitled to an equal share of the

plant breeder's right, is entitled to exploit the variety for his own benefit, subject to informing the other joint holders, and has the right to institute any infringement proceedings. Furthermore, a co-owner may not grant licenses or transfer all or part of his right without the consent of the other joint holders.

117. In Spain, where a Plant Variety Title belongs to more than one person, a license to exploit the variety may only be granted jointly by such persons (Section 6(3)(e) of Decree No. 1674/1977 of June 10, 1977), and the title may only be renounced (Section 11(3)(a) of the above Decree).

118. As regards Italy, Section 20 of the Patent Law simply provides that where there is more than one author of an industrial invention, rights deriving from the patent shall be governed, except as agreed otherwise, by the civil code provisions concerning joint ownership.

119. In the Netherlands, relations between co-owners and relations between such persons and third parties are governed, pursuant to Section 49 of the Act, by agreements between the co-owners, which must however be entered in the Netherlands Register of Varieties in order to be invocable in respect of third parties. In the absence of an agreement or where the agreement does not provide otherwise, each co-owner may exercise the breeder's right and may take measures against infringements thereof. Finally, before making his rights over to a third party, each co-owner is required to offer

those rights to the other co-owners at a reasonable price.

Breeding of a variety by an employee

120. The laws of South Africa, Belgium, Israel, Italy and the Netherlands regulate the question of allocating the protection right in cases where a variety has been bred by an employee. In Spain, Section 5(1)(c) of Decree No. 1674/1977 of June 10, 1977, stipulates that the provisions of Sections 29 and 30 of the Decree of January 26, 1944, approving the revised text of Book I of the Employment Contract Law, shall apply. In Switzerland, the matter is defined by other sources of law, to which reference is made in Article 9(1) of the Law.

121. In South Africa, the right belongs to the employer in cases where the employee's duties involve plant breeders' activities relating to the species concerned, irrespective of whether or not such breeder is paid a salary (Section 6(1)(a) of the Act).

122. In Belgium, the right belongs to the employer in cases where the breeder is in his service, unless there is an agreement to the contrary (Section 26(2) of the Law).

123. In Israel, varieties bred by employees are governed by an entire chapter of the Law (Chapter 7--Sections 45 to 54). Where an employee has bred a variety in the period of his service, he shall, pending proof to the contrary, be presumed to have bred it in consequence of his service

(Section 48). An employee who has bred a variety during the period of his service or in consequence of his service is required to inform his employer as soon as possible after completing the breeding of the variety and before filing an application for protection in Israel. He is also required to inform the employer of any application for protection filed in Israel (Article 45), to disclose to him all particulars of the variety (Section 52) and to assist the employer in cases where the right to protection belongs entirely or in part to the latter, to enable him to obtain, in any place, protection for the variety and, in particular, to sign any required document (Section 53). Disputes as to whether a variety was bred in consequence of service are decided, at the request of the employer or of the employee, by the Registrar of Plant Breeders' Rights (Section 47). For as long an application for protection has not been filed, the employer, the employee and any other person to whom particulars of the variety have been communicated in confidence are bound to secrecy (Section 54).

124. In the case of varieties bred by an employee during his period of service or in consequence of his service, the right to protection belongs to the employer unless otherwise agreed or unless the employer waives his right in writing within six months of the employee's notification of the breeding of the variety to the employer. The employee may also explicitly claim the right to protection failing a reply from the employer (Section 46).

125. The Law presumes that the employee has a right to remuneration. Section 49 provides for arbitration by the Breeders' Rights Committee in the event of a dispute over the remuneration to which the employee is entitled from the employer where a variety has been bred in consequence of service. In deciding to what extent and on what conditions the employee is entitled to this remuneration, the Committee is required to take into account, inter alia, the capacity in which the employee is employed, the nature of the connection between the breeding of the variety and the employee's work, the initiative of the employee in breeding the variety, the possibilities of utilizing the variety and its actual utilization, and the expenses reasonably incurred by the employee to secure protection of the variety in Israel.

126. It should be noted that special provisions, similar to those described above, apply to State employees or employees of State enterprises or agencies and to persons who receive payment for service from the State.

127. Finally, the breeder of a variety has the right, under Chapter 8 (Sections 55 to 60) of the Law to be recognized as such.

128. In Italy, employees' inventions are the subject of Sections 23 to 26 of the Patent Law, which are reproduced in Annex II hereto. These provisions apply to the protection of new plant varieties, in accordance with Section 2 of Decree No. 947 of



August 12, 1975. In simple terms, the right to protection belongs to the employer if the breeding has been done in the execution of a contract. The employee is entitled to be recognized as the breeder and has a right to equitable remuneration unless he is paid for his breeding work. Finally, the employer enjoys a preemption right, where the right to protection belongs to the employee, in cases where the right or title of protection is assigned, and in respect of the exclusive or non-exclusive exploitation of the variety.

129. In the Netherlands, the solution chosen for allocating the right to protection is the same as in South Africa (Section 31(1) of the Act), with the exception that the employee is entitled, as in Italy, to fair remuneration, unless it is deemed to be included in the wages received by him or in the benefits enjoyed by him (Section 31(2) of the Act).

130. In Switzerland, the relevant sources of the Law are Article 332 of the Code of Obligations and Article 16 of the Federal Law of June 30, 1927, on the status of civil servants. These provisions apply to inventions and, under Article 9(1) of the Law, mutatis mutandis to new plant varieties. However, according to the Message of the Federal Council to the Federal Assembly concerning the protection of new plant varieties (May 15, 1974), it is for the courts to determine to what extent they apply to new plant varieties. Article 332 of the Code of Obligations reads as follows:

"Inventions, whether patentable or not, which the worker has made or in which he has participated in the exercise of his activities in the service of his employer and in compliance with his contractual obligations, shall belong to the employer.

"By written agreement, the employer may reserve for himself the right to inventions made by the worker during the exercise of his activities in the service of the employer but outside the fulfillment of his contractual obligations.

"A worker who has made an invention referred to in the preceding paragraph shall inform the employer thereof in writing; the latter shall let him know in writing within six months whether he intends to acquire the invention or to leave it to the worker.

"Where the invention is not left to the worker, the employer shall pay to him a special equitable consideration taking into account all circumstances, particularly the economic value of the invention, the collaboration of the employer and his agents, the use made of his installations and of the worker's expenditure and his position within the undertaking."

131. As regards inventions made by civil servants in the exercise of their functions or connected with their service activities, Article 16 of the above-mentioned Law of June 30, 1977, stipulates that they belong to the Confederation if they form part of the civil servant's activities or of the duties of his service, if they are the result of official tests, where they are of value from the point of view of national defense or where the appointing authority has reserved ownership for itself. Where the invention possesses real economic or military importance, the civil servant is entitled to an allowance, to be calculated on an equitable basis, taking into account, where appropriate, the collaboration of other persons employed by the Confederation and of any use made of installations or equipment belonging to the State. Where the civil servant has no such entitlement, the appropriate service may make an award which it shall determine freely.

Situation of the Applicant in proceedings before the plant variety protection service

132. In the Federal Republic of Germany, the applicant is deemed to be entitled to apply for protection unless it is known to the Federal Office of Plant Varieties, or the fact is brought to its notice, that the applicant is not so entitled (Article 13 of the Law). Moreover, Article 32(3) of the Law requires the applicant to state the name of the original breeder of the variety for which the application is made and to declare that no other person has participated in the

breeding. Where the applicant is not the breeder, or where he is not the sole breeder, he is required to state how the variety came into his possession. In accordance with the aforementioned article, the plant variety protection service is not required to check the exactness of the declarations. In Italy, it is assumed, before the Central Patent Office, that the applicant is the person entitled to the patent right and to exercise it (Article 27 (2) of the Patent Law as last amended by Decree No. 338 of June 22, 1979). In Switzerland, the applicant is also regarded as being authorized to claim the title of protection, pending proof to the contrary (Section 10 of the Law). None of the other States have inserted any comparable provisions in their legislation on the protection of new plant varieties but the same principle is nevertheless applied. In this respect, the wording of Section 30(1) of the Netherlands Act may be noted. "Any person in respect of whom there are good reasons to believe that he or his predecessor in title developed the new variety by his own efforts shall be entitled to plant breeders' rights."

133. In Israel, when the Plant Breeders' Rights Council has reasonable grounds for believing that an application is tainted with fraud, it may notify the Attorney General and suspend consideration of the application. The Attorney General may inform the Council that, in his opinion, the material submitted to him does not contain sufficient evidence of fraud, in which case consideration shall be continued. In

the opposite case, he files an action with the court for a declaratory judgment that the application is tainted with fraud and the Council does not decide on the application until the court proceedings are completed, in accordance with the judgment (Section 25(b) of the Law).

Filing of an application by a person not entitled to protection

134. Four main cases may be identified:

(i) legislation containing general provisions: Spain (Sections 6(2) and 28 of the Law), France (Article 18 of Decree No. 71-764 of September 9, 1971);

(ii) legislation permitting the legal successor in title to claim transfer of the application for protection or of the title if the latter has already been granted: Federal Republic of Germany (Article 14 of the Law), Belgium (Article 27 of the Law), Denmark (Article 18 of the Law), Italy (Article 27bis of the Patents Law as last amended by Decree No. 338 of June 22, 1979), the Netherlands (Article 55 of the Law--which does not mention the case of a title already granted but does not exclude the possibility of claiming transfer of the application), Sweden (Articles 13 and 14 of the Law as regards transfer of application and 31 and 32 as regards transfer of the title), Switzerland (Article 19 of the Law);

(iii) legislation giving the possibility of submitting comments or objections or making opposition to the application (see details below);

(iv) legislation giving the possibility of annulling a title of protection granted to a person not entitled to protection (see details below).

135. States having general provisions: In Spain, the Plant Variety Title is granted without prejudice to the rights of third parties and subject to the limitations established by the Law. Failure to observe these limitations renders the title null and void and, where appropriate, it leads to its cancellation from the Register of Protected Varieties (Section 6(2) of the Law). It is provisional for a period of two years following which it automatically becomes final if no opposition has been lodged against its grant. When it becomes definitive, either because the time limit has expired or following settlement of opposition under Section 121 of the Law of Administrative Procedure, the appropriate legal proceedings may be brought (Section 8(3) of the Law). According to Article 28 of the Law, the procedure to be followed for processing the files is that laid down by the Law of Administrative Procedure of July 17, 1958, which also governs appeals brought by interested parties. In addition, Section 8(2) of Decree No. 1674/1977 of June 10, 1977, requires the entry in the Register of Protected Plant Varieties of any

court decisions specifying the ownership of the right and any concerning transfer of property in a plant variety title and Section 17(1) requires the publication of applications for the purpose of bringing to the notice of the public all applications for plant variety titles and other information in order that any interested party may make such objections as he considers appropriate.

136. In France, in accordance with Section 18 of Decree No. 71-764 of September 9, 1971, "disputes relating to the validity of a breeder's right to the variety for which a new plant variety certificate is sought shall be brought directly before the tribunaux de grande instance, or in the Overseas Territories before the tribunaux de première instance."

137. States having the possibility of transferring the application or title of protection. As regards Belgium, it should be noted that an action to claim the right to protection may often be instituted for the purposes of obtaining an indivisible part in such right. A similar possibility exists in the Netherlands. In Sweden, according to Section 31 of the Act, a court may order the registration to be annulled if it has been obtained by a person not entitled, but annulment may not be obtained if the person is only a part-owner of the plant breeder's right or if the person entitled to protection requests transfer of the title. In Spain and France, the possibility of claiming transfer of the application or of the title of protection derives from the provision described in paragraphs 135 and 136 above.

138. In Italy, if it is held in a final judgment that the right to patent belongs to a person other than the applicant, that person may, if the patent has not yet been granted and within three months following the date on which the decision has become final, either take up the application in his own name or file a new application whose date of filing, if the contents of such application do not go beyond those of the initial application, shall be the filing date or priority date of the initial application which will then cease to have effect or may obtain rejection of the application. If a patent has been granted, he may obtain transfer of the patent by means of a court decision with retroactive effect or claim nullity of the patent. Where the legal successor in title has not made use of one of the possibilities listed above within a period of two years from the publication of the granted patent, any other person having an interest therein may apply for nullity of the patent.

139. It still remains to be established, however, whether these provisions apply to new plant varieties since Article 13(24) of Decree No. 974 of August 12, 1975, lays down that "nullity or lapse may only be pronounced for reasons other than those given in this Article," which does not however consider the case of granting a patent to a person not entitled.

140. States having the possibility of submitting comments or objections or opposing the application. Among those

States having the possibility discussed in the preceding paragraph, a number of them have also given the possibility of submitting comments or objections in respect of the application.

141. The Federal Republic of Germany explicitly provides in Article 35 of the Law that a first party may raise an objection to an application based on the allegation that the applicant does not qualify for protection. Such possibility also exists in France by dint of the very vague wording of Article 18 of Decree No. 71-764 of September 9, 1971 (see paragraph 136 above). In Italy, any person concerned may, under Article 9(3) of Decree No. 974 of August 12, 1975, submit comments on a patent application concerning a new plant variety to the Central Patent Office. The Belgian Law provides implicitly, by its reference to the examination of comments, for the possibility of submitting comments but does not specify their grounds. A similar situation exists in Sweden, where Section 15 of the Act requires publication of the application file to enable the public to exercise opposition, as also in Spain (see paragraph 135 above).

142. In Denmark, any person may file an objection to the application, but in cases where the objection relates to the applicant's right to protection, the person making the objection is invited under Article 8(2) of the Law to take proceedings in accordance with Article 18 of the Law. This Article, however, stipulates that the proceedings should be instituted by the person "claiming to have a better right to the plant variety." Taken together, these two Sections do not therefore enable an objection to be filed, on the basis of the applicant not being entitled, by any person other than the legitimate holder of the right. A similar situation is created in Switzerland by Article 29(2) of the Law, which allows only objections based on the non-fulfillment of the protection criteria referred to in Article 6 of the Convention, and by Article 19, which provides the possibility of bringing an action for assignment.

143. Finally, the legislation of the Netherlands does not appear to give the possibility of submitting observations, but Section 39 provides for the promulgation of administrative regulations concerning, in particular, the hearing of the parties.

144. Among the remaining States, South Africa provides for rejection of the application when it has been filed by a person not entitled to make an application (Section 11(1)(c) of the Act). Under Section 18(7), the Registrar may decide to reject following the filing of an objection by any person within six months of publication of the application under Section 17.

145. In Israel, anyone may oppose an application for protection if he feels he has a better right to protection than the applicant (Section 23(b) of the Law).

146. Finally, in the United Kingdom, any person may make representations to the Controller in respect of the application for protection (Section 4(3) of the Plant Breeders' Rights Regulations 1978) and it is the responsibility of the latter to pronounce on such representations in accordance with the general powers afforded to him. No text lays down whether the Controller may transfer the application or whether he has to reject it in cases where the representations are justified. However, if his powers are the same as those of the Comptroller of Patents, it may be assumed on the basis of Section 8 of the 1977 Patents Act<sup>9</sup>, that he may take both decisions.

147. States having the possibility of annulling a title of protection granted to a person not entitled. In South Africa (Section 33(2)(b) of the Act) and the United Kingdom (Section 3(7)(b) of the Act), the Registrar or Controller may terminate a title of protection if information comes to light which, if discovered earlier, would have resulted in the right being refused.

148. In Spain, the Plant Variety Title is null and void when the title holder did not have the right to obtain it and any interested party may bring an action for nullity during the entire period of protection (Sections 11(1)(a) and 11(2) of the Law).

149. In Israel, the Plant Breeders' Rights Council may revoke a right either on its own initiative or on the application of an interested party, if a court has decided that the right of another person is better than the right of the holder (Section 39 of the Law). In addition, Section 64 of the Law lays down that any ground for opposing a breeder's right is a good defense in an action for infringement and that, if the court allows the defense, it is required to order that the entries in the Register of Rights be amended or the breeder's right be revoked.

150. As regards the legislation of Italy, see paragraphs 138 and 139 above.

151. Finally, in Sweden, the court may order the registration of the breeder's right in certain cases (see paragraph 137).

152. The remaining States have not set up a special procedure for opposing the validity of a title of protection on the grounds that its owner is not entitled. This does not necessarily mean that such opposition is not possible. In most States, a defendant in infringement proceedings may well advance in his defense that the title of protection is null and void. Depending on circumstances, it is also possible to oppose the right to protection of a person granted a title of protection on the grounds that at the time of the application the variety was not distinct within the meaning of Article 6(1)(a) of the Convention.

153. Additional provisions. The provisions described above call for additional provisions to cover the following matters:

(i) Which persons are entitled to make representations, file objections or opposition to the application (hereinafter "make representations") or to institute proceedings claiming the right to protection or for annulment of the title of protection (hereinafter "proceedings")?

(ii) What are the time limits for making representations or instituting proceedings?

(iii) Which body hears the representations or proceedings?

(iv) What are the implications of representations or proceedings for the examination of the application?

(v) What are the implications of the representations or proceedings for the application or the title of protection?

(vi) What happens to the rights acquired by third parties in the case of assignment or annulment?

154. Persons entitled to make representations or institute proceedings. As regards representations, no details are given by the legislations of South Africa, the Federal Republic of Germany, Belgium, Spain, France, Italy or Sweden. In the United Kingdom, the possibility of making representations is given to any person having a substantial interest in the application or being in a position to present facts which may be relevant to the examination of the application (Section 4(3) of the Plant Breeders' Rights Regulations 1978). In Denmark, Israel and Switzerland, only the legitimate owner may submit comments based on the fact that the applicant is not entitled to apply for protection (see paragraphs 142 and 145 above).

155. Proceedings claiming the right to protection may be instituted by the person claiming the right, designated as "the entitled person" in the Federal Republic of Germany (Article 14 of the Law) and in Switzerland (Article 19(1) of the Law), as the "person who under the foregoing sections has a full or partial claim to the plant breeder's right," in

the Netherlands (Section 35(2) of the Act), as the "person claiming to have a better right to the plant variety" in Denmark (Section 18 of the Law) and as the person who "claims - or proves - that he has a better right" (Sections 13 and 14 of the Act) or "the person who claims to be entitled to the variety" (Section 31(2) of the Act) in Sweden. The position is the same in Italy. No details are given in Belgium or France, but it is evident that proceedings must also be instituted by the person claiming the right.

156. Proceedings to annul, revoke or otherwise cancel a title of protection granted to a person not entitled may be instituted by an interested party in South Africa, Spain (Section 11(2) of the Law), Israel (Section 29(a) of the Law), and in the United Kingdom. In South Africa and the United Kingdom, this derives from the fact that the title of protection is terminated if information comes to light which, had it been discovered earlier, would have led to refusal to grant the title. In Sweden, only persons claiming to have rights in the variety may institute annulment proceedings on such grounds (Section 31(2) of the Law).

157. Time limits for making representations or instituting proceedings. These limits are as follows:

(i) South Africa: For representations, six months from the publication of the application (Section 17(1) of the Act). There is no time limit for communication to the Registrar of information which, had it been discovered earlier, would

have led to the refusal to grant a title.

(ii) Federal Republic of Germany: For representations, three months from the date of publication of the application (Article 35(2) of the Law). For assignment proceedings in respect of the application or the title, five years from the date of publication of the grant of the title, unless the holder was not acting in good faith in obtaining the title, in which case there is no time limit on proceedings (Article 14 of the Law).

(iii) Belgium: For representations, three months as from publication of the application (Section 20 of the Royal Decree of July 22, 1977); for proceedings, five years counted from the grant of the title (Section 27 of the Law).

(iv) Denmark: No time limit is mentioned. In the case of proceedings claiming the application or the title, it is nevertheless stated that they may be instituted before or after the title is granted (Section 18 of the Law).

(v) Spain: For objections, two months as from publication of the application (Section 17(1) of Decree No. 1674/1977 of June 10, 1977). For nullity proceedings, the entire duration of protection (Section 11(2) of the Law).

(vi) France: For representations, two months from the publication of the application (Article 17 of Decree No. 71-764 of September 9, 1971); for proceedings contesting the



applicant's right to protection, no time limit is given but there is good reason to believe that it is the same. In practice, the time limit begins at the date on which each number of the Plant Variety Protection Bulletin is received by the Departmental Directorates of Agriculture and the Chambers of Commerce and Industry.

(vii) Israel: For opposition to the application, thirty days from the publication of the application in Reshumot (Section 23(a) of the Law). If opposition is based on a claim to a better right, the opponent is required to file an action with the court within a period stipulated by the Plant Breeders' Rights Council (Section 25 of the Law). For applications for revocation of the breeder's right, 24 months from the registration of the right, which may be extended by the duration of any court proceedings to determine whether a third party has a better right to the protection than the holder, subject to institution of proceedings having been notified to the Plant Breeders' Rights Council (Section 29(d) of the Law).

(viii) Italy: For representations, during a sixty-day period following a ninety-day time limit as from the filing of the application, the latter having been published by a posting within a period of sixty days starting from the filing and the notification remaining posted for thirty days (Article 9(2) and 9(3) of Decree No. 974 of August 12, 1975). The claim in respect of the application has to be

made to the Central Patent Office within thirty days of the date on which the court decision granting the right to the patent to the legitimate holder has become final. No time limit is laid down for the claim to the patent (Article 27<sup>bis</sup> of the Patent Law as last amended by Decree No. 238 of June 22, 1979).

(ix) Netherlands: For assignment proceedings, five years as from the entry of the variety in the Netherlands Variety Register.

(x) United Kingdom: For representations, a date limit is give in each number of the plant variety protection bulletin and is normally set at the middle of the month following that of publication. There is no time limit for communicating to the Controller information which, if it had been discovered earlier, would have led to the grant of the title being refused.

(xi) Sweden: For representations, the time limit is set by the Plant Variety Board (Section 15(2) of the Act); for proceedings to annul or transfer the entry, one year as from the day on which the plaintiff has knowledge of the registration and the other circumstances on which the action is based and, where the holder was acting in good faith at the time of registration or transmission of the right, three years as from the date of registration (Section 31(2) of the Act);

(xii) Switzerland: For assignment proceedings, two years as from publication of the title of protection, but no limit where the defendant (holder) has acted in bad faith (Article 19(2) of the Law).

158. The body competent to decide on representations or proceedings. The national plant variety protection services are competent to decide on representations or objections in respect of an application filed by a non-entitled person where such representations or objections are allowed. Such competence is to be found in the legislative texts of the following States: South Africa, Federal Republic of Germany, Belgium, United Kingdom. In Israel, on the other hand, the court decides on opposition proceedings based on the claim for a better right (Section 25 of the Law).

159. In Italy, the Central Patent Office notifies the applicant whether it has received comments from third parties and, where such is the case, forwards a copy to him. The applicant must then, within ninety days, request the Office to institute examination proceedings by sending the receipt for payment of the examination fee together with any reply he wishes to make to the third party's comments, failing which the application is deemed withdrawn. The Central Patent Office sends the file to the Ministry of Agriculture and Forestry, requesting its opinion as regards the acceptability of the application. The patent is granted by the Central Patent Office or the application is rejected after obtain-

ing the concurring opinion of the above-mentioned Ministry (Articles 10 and 11 of Decree No. 974 of August 12, 1975).

160. It is not possible to draw conclusions from the Spanish legislation.

161. In the case of assignment proceedings, the courts, or at least certain courts, are competent, particularly in the Federal Republic of Germany (Article 48(1) of the Law), Belgium (Section 38(1) of the Law), Denmark (Section 18 of the Law), Spain (under Article 8(2) of Decree No. 1674/1977 of June 10, 1977), France (Section 18 of Decree No. 71-764 of September 9, 1971), Italy (Article 27bis of the Patent Law as last amended by Decree No. 330 of June 22, 1979) and Switzerland (Article 19 of the Law). In the Netherlands, however, the appropriate body is the Board for Plant Breeders' Rights (Section 55(4) of the Act), with the courts entering into action if the decision is contested. An intermediate solution has been adopted in Sweden: where a title of protection has been granted, it is the court that is competent (Section 32 of the Act). Where the applications is still pending, there are two possibilities: either the plaintiff proves that he has a better right to the variety and the National Plant Variety Board must transfer the application to him (Section 14(1) of the Act) or the plaintiff claims that he has a better right, the matter being unclear, and the Board calls upon him to institute proceedings within a certain period, failing which his claim will be disregarded when further consideration is

given to the application (Section 13(1) of the Act).

162. The proceedings leading to annulment or revocation of the title of protection are the responsibility of the new plant varieties protection services in South Africa and the United Kingdom. It is the responsibility of the courts in Spain and in Sweden. In Israel, revocation is decided by the Plant Variety Rights Council on a court decision (Section 29 of the Law).

163. Implications of representations or proceedings for the examination of the application. The main question is whether the examination of the application is suspended until a decision has been taken on the representations or proceedings. Suspension is mandatory in South Africa (Section 19(1)(b) of the Act) and in Israel (Article 85 of the Law). In the Federal Republic of Germany it is the plant variety protection service that examines objections as an integral part of the examination of the application, the title of protection only being granted if it is found that all conditions have been satisfied. In Belgium, proceedings do not suspend the examination, but where the objection has arisen during examination of the application, the plant variety protection service may, at the request of one of the parties to the proceedings, suspend the grant of the certificate until the court has delivered its decision (Section 38(1) of the Law). In Denmark, assignment proceedings would not appear to stay the procedure. In France, the examination of the application is suspended on the written request of any person who provides

proof that he has brought an action claiming ownership of the application, whereby trials of the variety already decided may be carried out. The procedure is resumed as soon as the court renders a final decision or, at any time, with the written, irrevocable consent of the person who has instituted the proceedings (Section 23 of Decree No. 71-764 of September 9, 1979). In the United Kingdom, the possibility of submitting representations is given to the public at an advanced state in the procedure, that is to say, when the examination of the application and of the variety permit the granting of the title. The procedure is therefore not actually suspended when representations are submitted but the granting of the title is normally postponed until a decision is taken on the representations. In Sweden, the National Plant Variety Board may postpone examination of the application pending a final decision (Section 13(2) of the Act). Finally, in Switzerland, assignment proceedings do not stay the procedure and, according to the Message from the Federal Council to the Federal Assembly concerning the protection of plant varieties (of May 15, 1974), the plaintiff has normally to take up the application procedure at the point it has already reached, assuming of course that he wins the action.

164. Implications of the representations or proceedings for the application or title of protection. The question is whether the submittal of representations based on the applicant not being entitled to apply for protection or the

institution of assignment proceedings limit the rights of the applicant or holder to dispose of the application or the title. Some of the States have relevant provisions in their legislation.

165. Whereas Section 15(2) of the Belgian Law permits the applicant to renounce his application for protection at any time, Section 30 stipulates that renunciation may not be accepted if an action claiming breeders' rights has been instituted. In France, on the contrary, an application for protection may not be withdrawn while an action claiming title to the application is pending, except with the consent of the person who has instituted the action (Section 23 of Decree No. 71-764 of September 9, 1971). In the Netherlands, the plant breeder's right may not be renounced if any person has instituted proceedings claiming such right, except with the consent of that person (Section 52(3) of the Act). Moreover, Section 53, which deals with the lapse of the breeder's right where the annual fee is not paid, provides in paragraph (3) that persons having instituted proceedings shall be informed as to any failure to pay. In the United Kingdom, surrender of breeders' rights must be preceded by an application which is published in order that the persons concerned may make representations or objections to such surrender. The Controller only accepts surrender if there is no obstacle (Section 3(6) of the Act and Section 8 of the Plant Breeders' Rights Regulations 1978). In Sweden, a request for transfer of an application prevents the withdrawal, rejection or acceptance of the application until such

time as a final decision is taken on the transfer (Section 14(2) of the Act) and a request for transfer of the plant breeder's right prevents the right being renounced until the dispute has been finally settled (Section 34(2) of the Act).

166. Rights acquired by third parties. These rights are mainly of two types: pledges and similar rights, and licenses. Relevant provisions have been included in the laws of Belgium (Section 38) and the Netherlands (Section 55(5)) to the effect that licenses acquired in good faith remain valid in respect of the new owner of the breeder's right, and also in Switzerland (Article 19(3)) where it is stipulated, on the contrary, that the rights granted by the former owner - that is to say, the licenses and pledges for example (Message from the Federal Council to the Federal Assembly concerning the protection of new plant varieties (of May 15, 1974), page 24) - become null and void.

Possibilities for harmonizing national laws.

167. Table 6 summarizes the major provisions of the States' legislation concerning those persons entitled to protection and related questions. A number of points emerge where harmonization is possible or desirable. But before the Administrative and Legal Committee examine them one by one, it would perhaps be better to decide whether, in view of the very specific nature of the protection of new plant varieties, the relevant legislation should be as complete

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as possible and should be applicable without the need to refer to other statutory texts. In view of this specific nature, it would be desirable in some cases to depart from the solutions chosen in other fields of intellectual property and, for the same reason, it would be relatively easy to do so. This is the case, for example, of the time limit for instituting proceedings to claim breeders' rights. Finally, it should be noted that various provisions, such as those concerning varieties bred by employees, may be harmonized within a restricted group of member States.

Table 6

Main Features of the Provisions of States' Laws  
Concerning Persons Entitled to Protection\*

	E	IL	EA	D	B	DK	F	I	NL	UK	S	CH
<u>Provision stipulating that the breeder or his successor in title are entitled to protection</u>			X	X	X	X		X	X	X	X	X
<u>Provision stipulating which person is entitled where the variety has been bred independently by more than one person</u>			X	X	X	X	X		X	X		X
- priority to first applicant			X	X	X	X	X		X			X
- priority to first applicant except where applications are filed the same day, in which case priority is given to the first to have bred the variety										X		
<u>Provision stipulating that breeders' rights belong jointly to persons having jointly bred the variety</u>				X	X				X		X	
<u>Special provisions on the rights of joint owners</u>			X					X	X			
- indivisible rights												
- each co-owner entitled to an equal part of the right**			X									
- each co-owner entitled												
+ to exploit the variety**			X						X			
+ to institute infringement proceedings			X						X			
- consent of other co-owners necessary for**												
+ granting a licence			X									
+ assignment by one co-owner of all or part of his right			X									
+ waiving of protection												
- preemption right of the other co-owners should one co-owner assign his right									X			
<u>Provision stipulating which person is entitled in cases where the variety has been bred by an employee</u>			X		X			X	X			
- right belonging to the employer												
+ except agreement to the contrary					X							
+ if the employee's tasks imply breeding activities for the species in question; if the variety was bred in fulfillment of a contract, e.g., an employment contract			X					X	X			
+ if variety bred by employee under or in consequence of his service, unless written agreement												
- employer's right to maintain a right to the variety bred by an employee in the context of his service activities but outside his contractual duties												
- right falling to employee if employer waives his right												
- employee's right to remuneration, except where already included in the salary, etc.								X	X			
- preemption right of the employer where the entitled person is the employee								X				
- employee's right to be recognised as breeder												

\* The absence of a provision in a State does not necessarily mean that the legal situation differs from that in States having such provisions.

\*\* Except as otherwise agreed

	I	IL	ZA	D	B	DK	F	I	NL	UK	S	CH
<u>Provision stipulating that the applicant is deemed entitled to apply for protection</u>				X								X
<u>Request for transfer of the application by the legitimate person entitled*</u>												
- possibility												
+ expressly provided				X	X	X					X	X
+ implicitly provided							X			X		
- time limit for instituting proceedings												
+ expressly or implicitly fixed as the duration of the application examination procedure				X	X	X					X	X
+ implicitly fixed at two months from the publication of the application							X					
+ fixed by the plant variety protection service at approximately fifteen days from publication of the second notice concerning the application										X		
- decision on the request												
+ by the courts				X	X	X	X					X
+ by the plant variety protection service												
+ by the plant variety protection service or by the courts, as appropriate											X	
- suspension of the application examination procedure												
+ not provided				X		X						X
+ implicit										X		
+ at the request of the plaintiff							X					
+ grant of rights postponed												
o at the discretion of the plant variety service											X	
o at the discretion of the plant variety service but at the request of one of the parties to the proceedings					X							
- implications for the publication												
+ withdrawal impossible												
o in all cases (implicitly)										X	X	
o except with consent of the plaintiff							X					
+ withdrawal, rejection and acceptance impossible											X	
<u>Contestation by a third party of the applicant's right to apply for protection**</u>												
- possibility												
+ expressly provided			X	X			X			X		
+ implicitly provided (grounds not specified)					X						X	

\* For Italy, subject to applicability of patent legislation to plant varieties.

\* In Israel: only by legitimate entitled person.

	E	IL	ZA	D	B	DK	F	I	NL	UK	S	CH
- time limit for making representations (from publication of the application) as otherwise stated)												
+ six months _____			X									
+ three months _____				X	X							
+ two months _____							X					
+ thirty days, with obligation to institute proceedings within a period laid down by the plant variety protection service										X		
+ fixed by the plant variety protection service at approximately fifteen days from publication of the second notice concerning the application												
+ sixty days from expiry of 90-day period after filing of application												
- decision on contestation												
+ by the courts _____							X					
+ by the plant variety protection service _____			X	X	X					X	X	
- suspension of the examination of the application												
+ not provided for _____				X	X		X				X	
+ implicit _____										X		
+ in all cases _____			X									
<u>Request for assignment of the right by the person legitimately entitled</u>												
- possibility _____				X	X	X			X		X	X
+ expressly provided												
+ implicitly provided												
- time limit for instituting proceedings												
+ where the holder acted in good faith												
o five years as from / issue of the right _____					X				X			
/ publication of the grant of the right _____				X								
o two years as from publication of the grant of the right _____												X
o one year from the day on which the applicant had knowledge of the grant and of the facts on which the action is based and three years as from grant of the right _____											X	
o no time limit stipulated _____						X						
+ where the holder has acted in bad faith												
o no time limit _____				X								X
o five years as from grant of the right _____					X				X			
o one year as from the day on which the applicant had knowledge of the grant and of the facts on which the action is based _____											X	
o no time limit stipulated _____						X						



[illegible]

## CHAPTER V

## NOVELTY

General

168. The term "novelty" refers in this study to the criteria set out in Article 6(1)(b) of the Convention and does not apply to the possession of distinctive characteristics required by Article 6(1)(a) of the Convention. Article 6(1)(b) of the Convention comprises two complementary parts. The first (in the revised text) sets out the condition the variety is required to meet, which in fact boils down to that of marketing. The second specifies that the fact that a variety has become a matter of common knowledge other than through offering for sale or marketing (that is to say by meeting the condition of the first part), does not constitute an obstacle to the breeder's right to protection. The revision of the Convention carried out in 1978 modified, in substance, only the marketing condition.

169. The present chapter deals also with the transitional limitation of the requirement of novelty (Article 35 of the 1961 Act of the Convention and Article 38 of the 1978 Act). This provision enables each member State to protect varieties which no longer satisfy the condition of novelty at a given date, i.e. at the date of entry into force of the Convention

in its respect (1961 Act) or at the date on which the Convention begins to be applied to the genus or species to which such varieties belong (1978 Act).

Definition of novelty in national laws

170. In South Africa, novelty is defined in Sections 2(2) and 43 of the Act. Section 2(2) requires the variety not to be available to the public in South Africa, in trade or otherwise, at the time of the application and not to have been available elsewhere for more than four years and, moreover, not to have been generally known at such date. These provisions are restricted in Section 43, which reads as follows:

"43(1) The grant of a plant breeder's right shall not be refused and such right shall not be terminated prior to the expiry thereof if the applicant for or the holder of such right, in pursuance of allegations that the new variety in respect of which such right has been applied for or granted was at the time of the application for the grant of such right generally known or that the existence thereof was a matter of common knowledge, proves:

- (a) that the cultivation of the new variety had been undertaken only for the purposes of tests and trials with a view to the technical evaluation thereof;

- (b) that the inclusion of such variety in an official list of varieties or an application for such inclusion which is under consideration or the inclusion of such variety in a reference collection, arises from the results of tests and trials referred to in paragraph (a);
- (c) that the exhibition thereof at an exhibition or a reading of a paper in connection therewith before an audience or the publication of such paper or other technical information in connection therewith, arises from the results of tests and trials referred to in paragraph (a); or
- (d) that anything referred to in paragraph (a), (b) or (c) was done by another person without his prior authority or consent.

"(2) Notwithstanding the provisions of subsection (1), the registrar may reject the proof referred to in that subsection if he is satisfied that the applicant or holder in question failed to take all reasonable steps to protect his rights within a reasonable time:

- (a) in the case of the cultivation referred to in subsection (1)(a), after the commencement of such cultivation; or

- (b) in the case of subsection (1)(d), after the act in question by such other person was first brought to his notice."

171. In the Federal Republic of Germany, the term "novelty" applies principally to the possession of distinctive characteristics (Article 2(1) of the Law). The condition under examination is set out in Article 2(3) of the Law, as follows:

"The fact that a variety is a matter of common knowledge may not be held against its novelty unless, at the time when protection is applied for, propagating or other harvested material of the variety has, with the authorization of the owner of the variety or his predecessor in title, already been commercialized in the territory where this Law is in force or for more than four years outside such territory."

172. In Belgium, the lawmaker has adopted the wording of the first sentence of Article 6(1)(b) of the 1961 Act, with some minor changes (Section 4(2) of the Law). According to paragraph 3 of this Article, a variety is not considered new, except where the transitional limitation applies, if at the time of the application it is commercialized in Belgium or commercialized abroad for more than four years with the agreement of the breeder or his successor in title.

173. In Denmark, under Article 1(4) of the Law, breeders'

rights may not be protected for varieties offered for sale or commercialized with the breeders' consent prior to the filing of the application. However, "where necessary for the fulfillment of international agreements, the Minister may grant protection notwithstanding the fact that the plant variety concerned was offered for sale or commercialized in another country during the four years preceding the application for registration." A corresponding provision was included in Article 3 of the Decree of October 2, 1968, setting out the conditions under which foreign breeders may obtain plant variety protection in Denmark.

174. In Spain, the novelty condition contains the following additional details in relation to the 1961 text of the Convention: a variety must not have been the subject of sufficient advertising of any kind to be used; a variety already described in an application for protection in Spain, in a title that has not yet been published or in an application filed abroad that benefits from the priority provided for in Article 12 of the Convention is not considered new; presentation at contests, collections or exhibitions, in so far as no commercial transaction has taken place at them, and production and distribution on an experimental scale, may not be invoked against the novelty of a variety (Section 4(3) and (4) of the Law). With regard to the fact of recording in an official register not being destructive of novelty, it is made clear in Section 4(3) of Decree No. 1674/1977 of June 10, 1977, that "official register" means the Register of Commercial Varieties of the National Institute of Seeds and Nursery

Plants, or any other similar register of a foreign country with which Spain has entered into an agreement on the subject.

175. In France, a feature of the law is that Section 7 stipulates absolute non-commercialization as a condition-moderated by Section 5 of Decree No. 71-764 of September 8, 1971-, limits non-invokability against the breeder of entry in a catalogue or official register to such entry in a UPOV member State and, finally, contains a borrowing from patent legislation, that is, the non-invokability of the display of a variety at an official or officially recognized exhibition.<sup>10</sup>

<sup>10</sup> Section 7 of the Law reads as follows:

"A plant variety shall not be new if, in France or elsewhere, it has, prior to the date of application, received publicity enabling exploitation or if it is described in an application for a certificate or in an unpublished French certificate or in an application filed abroad and enjoying the priority provided for in Section 10 below.

The use of the variety by its breeder in tests or experiments or its entry into a catalogue or an official register of a State party to the Paris Convention of December 2, 1961, for the Protection of New Varieties of Plants or the display in an official or officially recognized exhibition within the meaning of the Convention relating to international exhibitions, signed at Paris on November 22, 1928, and amended on May 10, 1948, shall in no case, however, constitute an act of disclosure precluding the novelty of the variety.

Nor shall disclosure in clear violation of the breeder's rights prejudice the novelty of the variety."

Section 5 of Decree No. 71-764 of September 9, 1971, reads as follows:

"The applicant shall submit the following with the application for a new plant variety certificate:

(a) a declaration stating:

that the variety for which protection is sought is, to his knowledge, a new plant variety in terms of Section 1 of the Law of June 11, 1970, mentioned above;

that the variety has not, with the consent of the breeder or his successors in title, been offered for sale or commercialized in France or during the preceding four years--in any other State;

(b) ..."

176. In Israel, the condition of possession of distinct characteristics and of novelty are closely related and are the subject of a definition in Section 7 of the Law. According to the latter, a new variety is a variety which is different as to at least one fundamental character from any other variety which was a known variety at the time the application for registration of a breeder's right therein was filed. A variety is known if its propagating material has been used, in other words cultivated, propagated or marketed (Section 1 of the Law) in Israel or for a period of more than four years abroad, or if it has been the subject of a publication, in or outside Israel, setting out its mode of production or characters in such a way that a person with professional training can reproduce it in accordance with the particulars so made known. According to Section 8 of the Law, novelty is not destroyed by the fact of publishing information on the variety, during the period of breeding, for the purposes of examination or testing with a view to filing an application for protection, or with a view to a recommendation under the Seeds Law, 5716-1956.

177. In Italy, the requirement of novelty is defined by means of the expression "be subject of commercial acts" applied to the variety and accompanied by a clause under which the fact that the variety has been the subject of "culture trials" or has been entered or presented for entry in an official register may not be invoked against the breeder (Section 1(3) and (4) of the Law).

178. In the Netherlands, the conditions for novelty are as follows (Section 29(3) and (4) of the Act):

(3) A variety shall not be regarded as new if, at the time the application for plant breeder's right was made, propagating material of the variety had already been commercialized, unless:

- (a) It had been commercialized outside the Netherlands not longer than four years previously with the permission of the applicant or his successor in title;
- (b) it had been commercialized not longer than five years previously without the permission of the applicant or his successor in title and the person who commercialized the propagating material did not produce the variety by his own efforts.

(4) The fact that a variety has been given to others to test, or has been submitted for registration or registered in an official register, may not be held against the breeder of the variety or his successor in title."

Two special features to be noted in this provision are the five-year period afforded the breeder for filing an application when his variety has been commercialized by a third party without his consent and the fact that the novelty requirements

refer only to the propagating material.

179. In the United Kingdom, the novelty requirement is defined as follows in Section 2 of Part II of Schedule 2 (in the text amended by Schedule 7 of Chapter 34 of the Agriculture (Miscellaneous Provisions) Act 1968):

"(2) Subject to this Schedule, in the period beginning with the date when the said scheme came into force and ending with the date of the application no plants of the variety, and no material forming part of, or derived from, plants of the variety, may have been offered for sale or sold by or with the consent of the applicant in the United Kingdom or elsewhere:

Provided that the restriction imposed by this subparagraph shall not apply to sales or offers made outside the United Kingdom during the period of four years ending with the date of the application.

"(3) Sub-paragraphs (1) and (2) of this paragraph shall not apply:

- (a) to an offer for sale of a stock of material of any plant variety in connection with an offer for sale of the title to apply for the grant of plant breeders' rights in respect of that plant variety, or

- (b) to any sale of material of any plant variety if at the time of the sale or subsequently the purchaser becomes the person entitled to make an application for the grant of plant breeders' rights in respect of that plant variety.

"(4) Where an applicant makes, or proposes to make, arrangements under which some other person uses reproductive material of the plant variety under the control of the applicant for the purpose of increasing the applicant's stock, or of carrying out tests or trials, and under which the whole of the material produced, directly or indirectly, from that reproductive material, and any unused reproductive material, becomes or remains the property of the applicant, the said sub-paragraphs (1) and (2) shall not apply:

- (a) to a sale or offer for sale of the reproductive material by the applicant to any such other person as part of such arrangements, or
- (b) to a sale by the other person to the applicant of the material produced, directly or indirectly, from that reproductive material.

(5) The said sub-paragraphs (1) and (2) shall not

apply to an offer for sale or sale of material, not being reproductive material, produced in the course of:

- (a) the breeding of the plant variety, or
- (b) increasing the applicant's stock of material of the plant variety, or carrying out tests or trials of the plant variety."

Three remarks are necessary: firstly, to simplify, commercial acts with the variety connected with the sale of the rights in the variety (paragraph (3)) and those linked with the multiplication or trials of the variety (paragraph (4)) do not prejudice novelty. Secondly, the sale of material other than reproductive material produced during the breeding or multiplication of the variety or trials, likewise does not injure the right to protection (paragraph (5)). Thirdly, the variety may not have been the subject of commercial acts prior to the species to which it belongs having been accepted for protection (paragraph (1)).

180. In Sweden, the novelty requirement is that the plant material of the variety may not have been commercialized with the consent of the breeder or his successor in title within the periods provided for in the Convention (Section 3(3) of the Act).

181. In Switzerland, the novelty requirement is very similar to that of the Federal Republic of Germany since Article 5(3)

of the Law provides that "the fact that a variety is itself generally known shall in no way detract from its character of novelty unless, at the time the application was filed, the variety had already been offered for sale or marketed in Switzerland or--for more than four years--abroad, with the consent of the breeder or his successor in title."

Transitional limitation of the requirement of novelty in national legislations

182. Three cases may be identified:

(i) The law contains no possibility for protecting recently created varieties which exist at the time the law enters into force: South Africa, Denmark, Italy, Netherlands, Sweden. However, provisions allowing for transition between the former legislation and that currently in force are contained in the laws of South Africa (Sections 50 and 51), Denmark (Article 3 of the Law of March 24, 1974) and the Netherlands (Section 99). South Africa is already proposing to amend its legislation to adapt it to Article 38 of the 1978 Act of the Convention.

(ii) A transitional limitation of the requirement of novelty which applied during the initial period following entry into force of the law, and has therefore now expired, was provided for by the United Kingdom in Section 3 of Part II of Schedule 2 to the Act. Israel has provided for a limitation of the same type (Section 103 of the Law).

(iii) The remaining countries, i.e. Federal Republic of Germany (second sentence of Article 2(3) of the Law), Belgium (Section 49 of the Law), Spain (transitional provisions (1) and (2) of the Law), France and Switzerland (Article 53 of the Law), have provided for a transitional limitation of the requirement of novelty applicable to each species at the time the species is accepted for protection.

183. Transitional limitation based on the date of entry into force of the Law. The United Kingdom has introduced the following provision:

"(1) Where an application in the form prescribed for the purposes of this Schedule by regulations under Section 9 of this Act is made at a time not later than 11th May, 1965, and the applicant does not ask for a protective direction, sub-paragraphs (1) and (2) of the last foregoing paragraph<sup>11</sup> shall not apply to any offer for sale or sale in the period beginning with 12th November, 1963, and ending with that time if the Controller is satisfied that the applicant took all steps reasonably open to him to ensure that any person to whom material of the plant variety has been offered or sold during the said period has been informed in writing that an application for a grant of plant breeders'

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<sup>11</sup> See paragraph 179 above.



rights may be made in respect of the variety.

"(2) Where an application is allowed by virtue of this paragraph, Section 7(2) of this Act shall not apply to any compulsory license granted as respects the plant variety to which the application relates."

184. In Israel, two transitional limitations have been provided for. The first (Section 103(a) of the Law) has as its starting date the entry into force of the Law and applies to varieties in respect of which confirmation from a government agency in Israel has been received, prior to that date, to the effect that they are recommended varieties under the Seeds Law, 5716-1956. These varieties could be made the subject of an application for protection, which had to be filed within six months following into force of the Law. For the assessment of the novelty of the variety, and where appropriate the identification of the person entitled to protection, the application was regarded as having been filed on the date of confirmation. The term of protection was counted as from that same date.

185. In Section 102(b) the Law provides for a special date of entry into force for the priority provision based on Article 12 of the Convention. That date is the starting point of a period of twelve months during which applications for protection may be filed in respect of varieties that have been granted protection in a State of the Convention prior

to the date of entry into force of the Law. For questions of novelty and relative priority between applicants the applications are regarded as having been filed on the filing date of the application in the Convention State mentioned earlier. The term of protection is counted as from the date of grant of the title of protection in the Convention State. Under Section 1 of the Law, "Convention State" means a State member of UPOV which the Ministry of Agriculture regards as granting protection to persons having bred varieties in Israel on the basis of reciprocity. The Ministry of Agriculture may nevertheless extend the applicability of this transitional limitation, specified in Section 103(b) of the Law, to any State, whether or not it is a Convention State, if it appears to him that that State accords reciprocity to Israel in that matter (Section 103(c) of the Law).

186. In both cases, the benefit of the transitional limitation is subject to observance of the conditions laid down by regulation. The retroactive effect of protection is limited, as it does not grant relief for infringements committed before the entry into force of the Law (Section 103(d) of the Law).

187. Transitional limitation based on the date of entry into force for each genus or species. The legislation of the Federal Republic of Germany provides as follows:

"The fact that reproductive or other harvested material of the variety has been commercialized in

the territory where this Law is in force by the owner of the variety or his predecessor in title during the four years preceding the inclusion of the species to which it belongs in the list of species, pursuant to Article 7(1) and (2), may not be held against the novelty of that variety."

It follows from this Article that, in order to benefit from the transitional limitation of novelty, the applicant has to file his application within six months following the entry into force of the Law for the species concerned. In Switzerland, a four-year period is also allowed, but it is counted as from the date of filing of the application, which must not be more than a year later than the date on which the species was accepted for protection. In both cases, the duration of protection is reduced by the number of complete years that have elapsed since: (i) the beginning of marketing (Federal Republic of Germany--Article 18 of the Law) and (ii) between that date and the date the application is filed (Switzerland--Article 53(1) of the Law).

188. In Belgium, Spain and France, the provisions on transitional limitation of the novelty requirement are similar<sup>12</sup>. Protection can be given under these provisions to varieties for which either a patent has been granted in another State of the Paris Union for the Protection of Industrial Property

<sup>12</sup> See Annexes IV to VI.

(France) or in a member State of UPOV (Belgium and Spain<sup>13</sup>), or a title of protection in a member State of UPOV pursuant to the Convention (Belgium and Spain<sup>13</sup>), or an entry in an official national catalogue (Belgium, Spain and France), or again in another member State of UPOV (France), or an entry in a catalogue of a national professional association (Belgium and France).

189. In Belgium and France, varieties have to have met the conditions of non-commercialization on the date of the original application for protection or on the date of entry in the catalogue. The duration of protection is reduced in all three countries, but in different ways: in Belgium it is reduced by the time elapsed between the original date of protection or entry and the date of grant of the plant variety certificate; in Spain it is reduced by the time elapsed between the date of filing of the patent application, grant of the original title of protection, or entry in the catalogue, and the date of the application for protection claiming the benefit of the transitional provision, on which the protection comes into effect. Finally, there is a divergence as to the period during which applications for protection have to be filed: in Belgium this period is one year as from the acceptance of the species for protection, and in Spain it is six months or one year as the case may be, from the promulgation of the acceptance of the

<sup>13</sup> In Spain, that State is defined as a country "with which Spain has established an agreement on the protection of breeders' rights."

species for protection; in France, the period expires on December 31 of the year following that during which the species was accepted for protection. It should moreover be noted that Spain has introduced a special license system for persons who were using the variety before it was protected.

Possibilities for Harmonizing National Laws

190. Table 7 presents a summary of the provisions of national legislation concerning novelty and its transitional limitation. The amendment to Article 6(1)(b) of the Convention means that it is necessary to amend the corresponding provisions in the national laws, particularly in order to introduce the six-year period for the marketing of ligneous plant varieties abroad. In this connection, the member States will have to agree on the same definition of "vines, forest trees, fruit trees and ornamental trees, including, in each case, their rootstocks." Further, it would also be valuable for the member States to adopt a common position as regards introducing the one-year period for marketing in the State of the application.

191. Other aspects of the definition of novelty may also be studied to ascertain the possible harmonization of national laws or at least of agreement on the interpretation of such laws. These are above all the elements and the acts on which the novelty requirement is based.

192. As regards the transitional limitation of the requirement

of novelty, the scope of the provision in the Convention has been widened, which may enable some States that have not already done so to introduce a system to protect the varieties of a species of recent creation, which already exist at the time protection is extended to that species. Priority in examining the harmonization of laws should be given to the search for a common system for all member States. Failing such a common system, it is the existing systems that should be harmonized, that is to say, those existing in the Federal Republic of Germany and Switzerland on the one hand, and those existing in Belgium, Spain and France on the other.

193. Finally, the question of the novelty of lines intended to enter into the composition of commercial hybrids would seem worthy of special examination. It is possible for such lines not to be marketed as such but to be used as components in hybrids which are in fact marketed. In such cases, it could be felt that these lines satisfy the novelty requirement and may therefore be protected. It would also, possibly, be necessary to recommend to member States that they include in their legislation a provision stipulating that in the case of lines used in the production of a hybrid--that is to say, those included directly in the hybrid formula and, where appropriate, the lines used to restore fertility--, offering for sale or marketing of the hybrid is tantamount to the sale or marketing of the lines.

## Main Features of the Novelty Provisions of the Member States' Laws

	ZA	D	B	DK	E	F	IL	I	NL	UK	S	CH
<u>Marketing requirement*</u>												
- elements concerned by the novelty requirement												
+ variety	X		X	X	X	X		X				X
+ plant material**											X	
+ reproductive or vegetative propagating material									X			
+ reproductive or vegetative propagating material and any other product												
o in general		X										
o except special cases										X		
- acts which are the subject of the novelty requirement												
+ growing, propagating and marketing												
+ offering for sale, selling and marketing				X		X				X		X
+ commercial acts								X				
+ presence on the market			X						X			
+ marketing		X									X	
+ adequate publicity for exploiting the variety						X						
+ accessibility to the public and the fact of being well-known		X										
+ publication of information on the mode of production or characters in such a way that a person with professional training can reproduce it							X					
- acts which may not be invoked against the breeder												
+ common knowledge of the variety		X										X
+ common knowledge resulting from growing the variety for the purpose of its technical evaluation, inclusion or request for inclusion in an official variety list, inclusion in a reference collection, display of variety, disclosure of a memorandum concerning it, as a result of growing trials, by the breeder or with or without his consent		X										
+ the fact of having been used in trials												
o unspecified			X									
o growing trials								X				
+ use by the breeder in tests or experiments						X						
+ supply to third parties for trials									X	X		
+ production and distribution on an experimental scale, publication of particulars, during the period of breeding, for the purpose of examination or testing with a view to filing and application for protection or a recommendation					X							
+ entry or request for entry in an official register												
o unspecified			X					X	X			
o of a member State						X						
o of any State with which an agreement has been concluded on the subject					X							

\* Refer to Chapter III for the exact definition of commercial acts.

\*\* Other provisions use the term "plant material," e.g. that defining the scope of protection.

	ZA	D	B	DK	F	I	NL	UK	S	CH	E	IL
+ display												
o at an official or officially recognized exhibition					X							
o at contests, collections or exhibitions in so far as no commercial transactions take place at them											X	
+ abuse by a third party*					X							
+ offer for sale or sale of reproductive or vegetative propagating material of the variety in connection with the offer for sale or sale of the rights in the variety								X				
+ offer for sale or sale of reproductive or vegetative propagating material to third parties for the purpose of tests or propagation of the variety and sale by such third parties of the material thus produced to the applicant								X				
+ offer for sale or sale of material other than reproductive material obtained during the breeding of the variety, tests or propagation								X				
+ five-year period for filing an application where a third party has marketed the variety without the consent of the breeder							X					
<u>Transitional limitation of the requirement of novelty</u>												
- no provision	X			X		X	X		X			
- provision related to the entry into force of the law								X				X
- provision applicable to each species accepted for protection		X	X		X					X	X	
+ modified marketing requirement: the variety may not have been marketed for more than five years on the date of filing of the application												
o of acceptance of the species for protection		X										
+ the varieties which may be protected are those for which there exists												
o a patent in a member State of												
/ the Paris Union					X							
/ UPOV			X								X	
o a title of protection in a UPOV member State			X								X	X
o a recommendation or an entry in an official catalogue												
/ of the State in question			X								X	X
/ of a UPOV member State					X							

\* Many States provide for this eventuality by specifying that commercialization has to take place with the consent of the breeder.

	ZA	D	B	DK	F	I	NL	UK	S	CH	E	IL
o entry in the catalogue of a national professional association			X		X							
+ the varieties must have satisfied the marketing requirements at the date of authentication (date of protection or entry)			X		X							
+ title of protection comes into effect												
o on the authentication date*												X
o on the filing date of the application					X						X	
o on the date of grant of the title		X	X							X		
+ reduction of the term of protection												
o by the complete number of years elapsed since the start of marketing												
/ until grant of the title		X										
/ until the filing date of the application										X		
o by the period elapsed between the original protection or registration date and the date of grant of the title			X									
o by the period elapsed between the date of filing of the patent application of grant of the original title or of entry in the catalogue and the date of the application for the title											X	
o by the period elapsed between the date of filing of the patent application or of entry in the catalogue and the date of application for the title					X							
o no reduction but in practice protection comes into effect on the date of entry into force of the law												X
+ time limit for filing an application which may enjoy the transitional limitation											X	
o six months for varieties protected by patent or special title and one year for varieties entered in the catalogue, counted from the date of promulgation of acceptance for protection												
o from the date of acceptance for protection												
/ six months		X										
/ one year			X									
/ until December 31 of the following year					X							
o six months from the entry into force of the law, for varieties recommended in the State												X
o one year from the entry into force of the article or priority, for varieties protected abroad												X

\* Date of confirmation that the variety is recommended, or date of grant of title of protection abroad, as the case may be.

CHAPTER VI

PROTECTION OF A HYBRID SUBJECT TO AUTHORIZATION TO USE

PROTECTED COMPONENTS

194. Four States have included in their legislation a provision which, in practice, makes the protection of a hybrid of which one or more components are protected in the name of third parties subject to the latter's authorization to make repeated use of such components for the commercial production of the hybrid. Those countries are South Africa, where Section 11(1) (g) of the Act provides that the application shall be rejected if "the propagation of the variety in question would require repeated use of propagating material of another variety for which plant breeder's rights have been granted to or applied for by another person, unless such propagating material is used under a license [voluntary or compulsory]," Spain (Section 5(1)(c) and (2) of Decree No. 1674/1977 of June 10, 1977), France (Section 5(6) of the Decree No. 71-764 of September 9, 1971) and Italy (Section 5(3) of the Implementing Regulations of Decree No. 974 of August 12, 1975). In the latter three countries, the applicant is required to attach the authorization to use the protected variety to his application, failing which his application will not be examined.

[Annexes follow]

PROVISIONS OF THE ITALIAN PATENT LAW CONCERNING  
SANCTIONS ON INFRINGEMENTS

"74 (Section 106, paragraph 2)<sup>1</sup> Legal actions involving patents for industrial inventions shall have the nature of personal commercial actions.

"75 (Section 107) Legal actions involving industrial inventions shall be instituted before the judicial authorities of the State, regardless of the nationality, domicile or residence of the parties.

Such actions shall be instituted before the judicial authority of the defendant's domicile; however, if the defendant has no residence, address or elected domicile in the State, such actions shall be instituted before the competent judicial authority of the plaintiff's place or domicile or residence. If neither the plaintiff nor the defendant has a real or elected domicile in the State, the judicial authority of Rome shall have jurisdiction.

The indication of domicile entered in the patent collections shall be considered as an election of domicile for the purposes of determining jurisdiction and for administrative and judicial notification.

"76 (Section 108) Legal actions based on facts which are presumed to have infringed the right of the plaintiff may also be brought before the judicial authority within whose jurisdiction such facts have been committed.

"80 (Section 112) Any person who institutes a civil action involving patents for industrial inventions must give notice thereof to the Central Patent Office by sending it a copy of the introductory act of such action.

In case of non-compliance with the aforesaid provision, the judicial authority shall, at any stage of the proceedings and before deciding the issue of the case, order such notice to be given.

The clerk of the court shall transmit to the Patent Office copies of all decisions which declare the nullity or forfeiture of patents.

"81 (Section 113, paragraphs 1 to 4) The owner of patent rights for an industrial invention may apply to the president of the court or to a magistrate to request that the latter order the description or seizure of articles produced in violation of the owner's rights and of the means employed in their production.

The judicial authority, after summarily investigating the matter and, where advisable, hearing the person against whom the action was taken, shall immediately adopt the necessary measures and may subject the seizure to the deposit of a bond.

The description and the seizure shall be carried out by an officer of the court, with the assistance, where needed, of one or several experts, and with the help of whatever photographic or other technical means may be required for the investigation. The interested persons or their representatives may be authorized to attend the operations or to be assisted by technicians of their choice.

The description may also concern articles owned by third persons, provided that they are not intended for personal use. The same shall apply to the seizure, provided that the third persons do business in the articles affected thereby.

"82 (Section 113, paragraphs 5 and 6) Except as otherwise provided with regard to criminal law, any description or seizure not ordered in the course of a legal action shall lose effectiveness if within eight days from their performance:

(a) no copy of the petition for and of the decree ordering the description or seizure was served on the persons against whom the decree was issued;

(b) no legal action on the merits of the case was instituted;

(c) the persons against whom the decree was issued were not summoned to the proceeding on the merits of the case and for the validation of the seizure.

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<sup>1</sup> Except as otherwise shown, the legislative source of each section (quoted in brackets after the number of the section in the consolidated version) is Royal Decree No. 1602 of September 13, 1934.



If, for one of the reasons set forth in the preceding paragraph, a description or seizure has lost effectiveness or was recognized to be groundless and therefore revoked, the person against whom such a description or seizure was ordered shall be entitled to compensation for damages from the person responsible for the description or seizure if such person acted in negligence.

"83 (Section 83 of Decree No. 1127 of June 29, 1939) In the course of an action concerning the violation of patent rights for an industrial invention, an injunction against the manufacture or use of the subject matter of the patent may be issued by a provisionally enforceable judgment, with or without security, until the decision to be rendered becomes res judicata.

The injunction may be revoked in the decision on the merits of the case.

"83bis (Section 34 of Decree No. 338 of June 22, 1979). The measures referred to in Sections 81 and 82 may be sought by the applicant as soon as the application becomes accessible to third parties, or against any person who has been notified of the application pursuant to the provisions of Section 4.

"84 (Section 114) As an exception to the provisions contained in the preceding Sections, and without prejudice to the requirements of criminal justice, articles suspected of infringing a patent right may not be seized when such articles appear within the enclosure of an official or officially recognized exhibition on the territory of the State or are in transit to or from such exhibition. It shall be possible, however, to obtain a description of such articles.

"85 (Section 115, paragraphs 1 to 4) The judicial authority may order that a decision, in whole or in summary form, concerning a violation of patent rights or merely the decree of such decision be published in one or several newspapers named by it at the expense of the losing party.

A decision establishing the violation of patent rights may order that the articles manufactured, imported or sold in violation of the said rights and the specific means used in their manufacture or in working the protected method or process be awarded to the owner of the patent, without prejudice to the latter's right to compensation for damages.

The judge may also, if so requested by the owner of the articles or means of production referred to in the preceding paragraph, and considering the duration of the patent or the particular circumstances of the case, order the seizure of the articles and means of production until the date of expiration of the patent at the expense of the person who violated the rights.

In this last case, the patentee may request that the seized articles be assigned to him at a price which, if no agreement has been reached by the parties, shall be fixed in accordance with the last paragraph of Section 86 and with the advice of an expert, if necessary.

"86 (Section 86 of Decree No. 1127 of June 29, 1939; Section 115, paragraphs 6 and 7) A decision ordering compensation for damages may, at the request of a party, provide for a lump sum payment to be fixed on the basis of the records of the case and of the assumptions deriving therefrom. It may also fix an amount due for each violation or each case of non-compliance that may be found in the future and for any delay in the execution of the provisions contained in the decision.

No article which constitutes an infringement of rights in a patent for an industrial invention may be seized or destroyed, nor may its use be prohibited, if it belongs to a person who is using it in good faith and for personal or domestic purposes.

Any controversies arising out of the enforcement of the measures described in this and the preceding Section shall be settled by the president of the court or the magistrate who issued the decision providing for such measures, after having heard the parties and having made a summary enquiry, in an order from which no appeal may be taken.

"88 (Section 117) Any person who, without using deceptive means of authentication, certification or recognition, fraudulently manufactures, sells, displays, uses industrially or introduces articles into the country in violation of a valid patent for an industrial invention shall, upon complaint by the interested person, be penalized with a fine of up to Lire 400,000.

"89 (Section 118) Any person who applies untruthful words or statements to an article with the aim of giving the impression that the article so marked is protected by a patent shall be penalized with a fine of from Lire 20,000 to Lire 200,000."

PROVISIONS OF THE ITALIAN PATENT LAW CONCERNING  
EMPLOYEES' INVENTIONS

"22 (Section 22)<sup>1</sup>. When an industrial invention is developed in the course of the performance or fulfillment of a contract or of an employment relationship in which the inventive activity forms the purpose of the contract or the relationship and the activity is compensated accordingly, the rights deriving from the invention shall belong to the employer, without prejudice to the right of the inventor to be recognized as such.

If no compensation is stipulated and fixed for the inventive activity and the invention is developed in the course of the performance or fulfillment of a contract or an employment relationship, the rights deriving from the invention shall belong to the employer, but the inventor shall not only have the right to be recognized as such but also shall be entitled to an adequate compensation, the amount of which shall be commensurate with the importance of the invention.

"24 (Section 23, paragraphs 1 to 3). If the conditions provided for in Section 23 do not exist but the invention concerned falls within the field of activity of the private enterprise or the public administration in which the inventor is employed, the employer shall have the right of preemption for the exclusive or non-exclusive use of the invention or to acquire the patent, as well as the right to apply for and acquire patents for the same invention in other countries, against payment of a royalty or price to be fixed after deduction of an amount equivalent to the value of such assistance as the inventor, in developing the invention, may have received from the employer.

The employer may exercise the right of preemption within three months from receipt of the notice informing him of the grant of the patent.

The relationship ensuing from the exercise of the right of preemption referred to in this Section shall terminate de jure if the employer fails to pay the fixed compensation in full by the date on which it is due.

"25 (Section 23, paragraph 4). If, in the cases provided for by the preceding Sections, it is not possible to reach an agreement on the compensation, royalty or price, or on the terms relative thereto, a decision thereon shall be taken by a board of arbitration consisting of three members, one to be named by each of the parties and the third by the other two or, in case of disagreement, by the president of the court of the place where the employee ordinarily performs his duties.

If the inventor is a government employee, the compensation, royalty or price and the terms relative thereto shall be determined not by a board of arbitration, but by the Minister heading the respective department, from whose decision no appeal may be taken.

"26 (Section 24). For the purposes of the preceding Sections, an industrial invention shall be considered as developed during the performance of a contract for an employment relationship when a patent for the invention has been applied for within a year from the date on which the inventor left the service of the private enterprise or public administration in whose field of activity the invention belongs."

[Annex III follows]

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<sup>1</sup> See footnote to Annex I.

## ANNEX III

## EXTRACT FROM THE UNITED KINGDOM PATENTS ACT 1977

"Section 8Determination Before Grant of Questions About Entitlement to Patents, etc.

8.—(1) At any time before a patent has been granted for an invention (whether or not an application has been made for it)—

- (a) any person may refer to the comptroller the question whether he is entitled to be granted (alone or with any other persons) a patent for that invention or has or would have any right in or under any patent so granted or any application for such a patent; or
- (b) any of two or more co-proprietors of an application for a patent for that invention may so refer the question whether any right in or under the application should be transferred or granted to any other person;

and the comptroller shall determine the question and may make such order as he thinks fit to give effect to the determination.

(2) Where a person refers a question relating to an invention under subsection (1)(a) above to the comptroller after an application for a patent for the invention has been filed and before a patent is granted in pursuance of the application, then, unless the application is refused or withdrawn before the reference is disposed of by the comptroller, the comptroller may, without prejudice to the generality of subsection (1) above and subject to subsection (6) below,—

- (a) order that the application shall proceed in the name of that person, either solely or jointly with that of any other applicant, instead of in the name of the applicant or any specified applicant;
- (b) where the reference was made by two or more persons, order that the application shall proceed in all their names jointly;
- (c) refuse to grant a patent in pursuance of the application or order the application to be amended so as to exclude any of the matter in respect of which the question was referred;
- (d) make an order transferring or granting any licence or other right in or under the application and give directions to any person for carrying out the provisions of any such order.

(3) Where a question is referred to the comptroller under subsection (1)(a) above and—

- (a) the comptroller orders an application for a patent for the invention to which the question relates to be so amended;
- (b) any such application is refused under subsection 2(c) above before the comptroller has disposed of the reference (whether the reference was made before or after the publication of the application); or
- (c) any such application is refused under any other provision of this Act or is withdrawn before the comptroller has disposed of the reference, but after the publication of the application;

the comptroller may order that any person by whom the reference was made may within the prescribed period make a new application for a patent for the whole or part of any matter comprised in the earlier application or, as the case may be, for all or any of the matter excluded from the earlier application, subject in either case to section 76 below, and in either case that, if such a new application is made, it shall be treated as having been filed on the date of filing the earlier application.

(4) Where a person refers a question under subsection (1)(b) above relating to an application, any order under subsection (1) above may contain directions to any person for transferring or granting any right in or under the application.

(5) If any person to whom directions have been given under subsection (2)(d) or (4) above fails to do anything necessary for carrying out any such directions within 14 days after the date of the directions, the comptroller may, on application made to him by any person in whose favour or on whose reference the directions were given, authorise him to do that thing on behalf of the person to whom the directions were given.

(6) Where on a reference under this section it is alleged that, by virtue of any transaction, instrument or event relating to an invention or an application for a patent, any person other than the inventor or the applicant for the patent has become entitled to be granted (whether alone or with any other persons) a patent for the invention or has or would have any right in or under any patent so granted or any application for any such patent, an order shall not be made under subsection (2)(a), (b) or (d) above on the reference unless notice of the reference is given to the applicant and any such person, except any of them who is a party to the reference.

(7) If it appears to the comptroller on a reference of a question under this section that the question involves matters which would more properly be determined by the court, he may decline to deal with it and, without prejudice to the court's jurisdiction to determine any such question and make a declaration, or any declaratory jurisdiction of the court in Scotland, the court shall have jurisdiction to do so.

(8) No directions shall be given under this section so as to affect the mutual rights or obligations of trustees or of the personal representatives of deceased persons, or their rights or obligations as such."

PROVISIONS OF BELGIAN LAW CONCERNING THE  
TRANSITIONAL LIMITATION OF THE REQUIREMENT OF NOVELTY

1. Section 49 of the Law:

"(1) Where, prior to the entry into force of this Law, a variety has been the subject:

(a) of a patent acquired in Belgium;

(b) of a patent or title of protection acquired in one of the States of the Union;

(c) of an entry in a Belgian list of varieties established under the Royal Decree of March 25, 1952, Organizing the Control of Agricultural and Horticultural Seeds and Seedlings, or under the Royal Decree of May 17, 1968, Organizing the Control of Basic Materials and Reproductive Materials, for Forest Plants, or of an entry in the National Catalogue of Varieties of Agricultural Plant Species established under the Royal Decree of May 12, 1972, on the National Catalogue of Varieties of Agricultural Plant Species, of an entry in the Catalogue of Varieties of Vegetables, established under the Royal Decree of June 13, 1973, on the Commercialization of Vegetable Seeds, or of an entry in the register of a Belgian professional association that fulfills the conditions specified by the King;

the breeder may, within one year following the entry into force of this Law with respect to the species and varieties specified by the King under Section 1, request application of this Law without the possibility of common knowledge within the meaning of Section 4, relating to facts subsequent to the date of the grant of the said patent or title or of the entries referred to in paragraph (c) above, being invoked against such application.

(2) Where the provisions of this Section are applied, and subject to the examination for novelty, stability, homogeneity and of the denomination:

(i) the variety in question must have fulfilled these conditions at the time of the filing of the application for a patent or title of protection, or at the time of the entry in an official Belgian list of varieties or in a national catalogue or in the register of a Belgian professional association;

(ii) the duration of the protection granted under the provisions of Section 11 of this Law shall be reduced by the time that has elapsed between the date of the initial entry, as defined above, and that of the entry in the Register of Varieties.

This provision shall apply also to varieties which, prior to the entry into force of this Law, have enjoyed the protection provided for in the Convention in one or more States of the Union."

2. The Royal Decree of November 25, 1977, stipulates the individual dates of entry into force for rose, carnation, azalea and rhododendron which may interfere with the provisions on the transitional limitation of the requirement of novelty.

3. The conditions to be met by a Belgian professional association were laid down in the Royal Decree of May 10, 1978.

[Annex V follows]

PROVISIONS OF THE LEGISLATION OF SPAIN ON THE  
TRANSITIONAL LIMITATION OF THE NOVELTY REQUIREMENT

Transitional provisions (1) to (3) of Decree No. 1674/1977 of June 10, 1977\*.

"(1) The breeder of a plant variety which is no longer new at the time when protection of a corresponding species is established may, in the following instances and in accordance with the Law on the Protection of Plant Varieties, request the protection of his rights:

(a) if a patent has been granted for a plant variety in Spain or in any other country with which an international agreement on the protection of breeders' rights has been established;

(b) if a "Plant Variety Title" or equivalent title has been issued in any country or countries with which Spain has established an agreement on the protection of breeders' rights;

(c) if the plant variety has been registered in a list of commercial varieties officially published in Spain.

The application for the protection of breeders' rights in respect of the varieties shall be submitted within a period not exceeding six months in the cases referred to in paragraphs (a) and (b) of this transitional provision and within a period of 12 months in the case provided for in paragraph (c) thereof, from the time of promulgation of the detailed provisions on the entry into force of protection for each genus, species or group of species concerned.

"(2) The "Plant Variety Title" for varieties referred to in the first Transitional Provision shall be effective as from the date of filing of the application. The period of time elapsed after the filing of an application for a patent, or after the grant of a "Plant Variety Title" or after its registration in the List of Commercial Varieties, shall, where the conditions set forth in paragraph (c) of the first Transitional Provision have been complied with, be deducted from the period of protection.

For these purposes, the date of recording of a variety in the List of Commercial Varieties shall be the date of publication of the said List or the date on which the reproductive material for the said variety has been officially produced for the first time. Where both circumstances coincide, the earlier date shall be considered the date of recording for the purposes of the provisions of the preceding paragraph of this Transitional Provision.

"(3) Plant varieties that were being marketed before the Law on the Protection of Plant Varieties came into force may continue to be freely produced and offered for sale, as long as the breeder does not make use of the right granted to him by the first Transitional Provision.

If the said right is made use of, the breeder or his successor in title shall be obliged to grant licenses for use under reasonable conditions to any natural person or legal entity so requesting and having produced under official control seeds or reproductive material of the varieties concerned. For these purposes only, the National Institute of Seeds and Nursery Plants may, when it considers this appropriate, specify conditions that have to be included in the contract for the license for use."

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\* These provisions reproduce, with the necessary additions, the corresponding Sections of the Law.

PROVISIONS OF FRENCH LAW CONCERNING THE  
TRANSITIONAL LIMITATION OF THE REQUIREMENT OF NOVELTY

1. Section 36 of the Law:

"Where a new plant variety has lost its character of novelty at the time of application, the breeder may apply for a certificate protecting his rights, provided that, for less than twenty or twenty-five years, depending on the cases provided for in Section 6, and in any event before the entry into force of the decree provided for in Section 39 concerning the procedure for the issue of a certificate and the organization of the Committee for the Protection of New Plant Varieties, the variety in question -

has been the subject of a patent issued in a State party to the Paris Convention of March 20, 1883,

or has been entered in an official catalogue of one of the States party to the Paris Convention of December 2, 1961,

or has been registered with a French professional association approved by the Committee for the Protection of New Plant Varieties.

The authenticity of the variety shall be determined by the date of deposit of the patent application, the date of entry in the official catalogue or the date of registration by the professional association.

Where a new plant variety certificate is granted, it shall take effect from the date of application. Its duration shall be reduced by the period which has elapsed since the deposit of the patent application, entry in the official catalogue or registration by the professional association.

Where the breeder of the variety concerned has at different times fulfilled more than one of the above conditions, only the date of the earliest such condition shall apply."

2. Section 58 of Decree No. 71-764 of September 9, 1971:

"Applications for new plant variety certificates filed under Section 36 of the Law of June 11, 1970, mentioned above shall be examined and the new plant variety certificates issued according to the procedure established by this Decree with the following provisos:

(a) to be admissible, applications must be filed not later than December 31 of the year following that in which the Law of June 11, 1970, mentioned above was declared to apply to the species to which the variety belongs;

(b) the declaration of non-commercialization provided for in Section 5(a) of this Decree shall refer to non-commercialization as on the date of the patent application, of entry in a French or foreign official catalogue or of enrolment in a French professional association approved by the Committee for the Protection of New Plant Varieties."

[End of Annex VI  
and of document]